

Measurement Model Assessment of Entrepreneurial Orientation and Firm Performance Relationship in Emerging Economy, Evidence from Northeastern Nigeria

Sani Mohammed

Department of Business Administration and Management
Federal Polytechnic, Damaturu

Correspondence e-mail: smgadaka@fedpodam.edu.ng

Abstract

Economic development generally hinges on achievements of Small and Medium Enterprises (SMEs). This has captured attention of researchers, government, scholars, and non-governmental organizations. Unfortunately, in Nigeria, SMEs have recorded great failure rate and serious setback in their operations particularly in the northeast region. Studies of Entrepreneurial Orientation (EO) and firm performance have been extensively done in the developed economy, but for the emerging economy, less has been done. This region is chosen because of its backwardness in terms of economic, social, and educational development coupled with insecurity of property and lives of innocent citizens. This research seeks to study status of EO and performance of SMEs in less developed economies of Nigeria's Northeast region based on measurement model. Hence the study will determine: i), if the constructs characterizing the study environment achieves validity for onward structural equation modelling, ii) find out if the constructs in the study environment are reliable for onward structural equation modelling. The result indicates that all the items on these constructs of study obtained from the most backward region in Nigeria are valid and reliable. Therefore, the constructs are adequate for structural equation modelling. This implies that all the three dimensions of EO in the region do impact positively on the firms' performance. However, innovativeness had little impact possibly because it is capital intensive. Several, studies on EO and SMEs performance indicate relationship depend on environment. Most of these studies happened in developed economies. In contrasts, the present research studies relationship between EO and firm performance in a less developed region in Nigeria whose business setting is quite different.

Keywords: Entrepreneurial Orientation, firm performance, Owner/managers, proactiveness

I. Introduction

Great numbers of research on Entrepreneurial Orientation (EO) and Small and Medium Enterprises (SMEs) performance have widely been done in the developed nations. Greater percentages of the research conducted on the EO-SMEs performance were in the developed economies [1]. However, for the developing countries, there is little research on this subject [2]. Unfortunately, the findings of most studies indicated that environment where businesses operate contribute a lot in determining the nature of relationship existing between the two constructs. Hence, the findings of such studies cannot give basis for judging the less developed nations since they have quite different nature of business environment [3]. To this effect, there is dearth of study in the literature that focus on the emerging economies. Hence, this study will be contributing to the existing literature with specific target to the field EO – firm performance of the developing economies. In Bangladesh, EO dimension operated by business i.e. proactivity, innovations,

and risk-taking represent the major or key influential factors that boost performance of SMEs [4]. Firms and SMEs are used interchangeably in this research.

Although SMEs have great benefits for job provision and general economic development of most nations, their failure rate in the Northeast of Nigeria is alarming, principally considering the role they play in nourishing highly reasonable economies [5]–[7]. The SMEs recently record low growth and very low performance in the Northeast region [8]. This condition got worsened by growing number of indigent and level of illiteracy in the region. This situation is worrisome because joblessness is increasing and breaks of social orders e.g. activities of terrorist groups, political thugs, armed bandits, kidnappers and so many other social vices stemming from high unemployment rate. In this circumstance, businesses owners lose the capital invested and their reputation, employees become jobless and government revenue from company income tax are lost to these phenomenon [9].

To this end, the objectives of this research are therefore two folds: first, it is to determine the validity of items in EO construct dimensions as related to the performance of SMEs in an environment characterized by abject poverty and highly unsecured region in measurement model analysis. Secondly, to determine reliability of each item of the EO dimensions as they relate to SMEs performance in a poor and highly unsecured region in Nigeria applying the measurement model analysis in Smart PLS 3.

EO and Performance of Firms (FP)

Early work of [10] on EO became the basis of the present-day dimensions of EO vis: innovation, proactivity, and risk taking which were adopted by [11], [12]. An improvement on this early work initiated by [13] by adding two dimensions more. These are competitive aggressiveness and autonomy [14]. EO actually comprises firms, skills, behaviour and experience reflecting on their ability to make cutting-edge decision-making for successful activities the firm involves in. EO is fundamentally and spitefully instigated to bring positive change to the current position of an organization's competitive advantage. This EO in this study is designed to be a construct of one-dimension with only three proxies: these are innovativeness, proactiveness lastly risk taking [15].

Several researchers with satisfactory measurement model reports have achieved significantly positive findings in studies linking EO and performance of firms [16]. Nevertheless, because relationship depends mostly on the prevailing business environment of the research area, it is ideal to study the scenario characterized by poverty and low-level standard of living, educationally less developed, economical and politically backward compared to other regions in Nigeria. Many findings indicate that influence of EO on firm performance have mostly been vague since a lot parameters could impact on such relationship [17]. Furthermore, several research findings in study of the EO and firm performance were inconsistent.

Innovativeness (IN)

Basically, innovativeness is viewed from the following angles: innovative process, product innovation, organizational inventions, inventions of radical or incremental nature, marketing innovation, administrative and technological inventions [15], [18]. However, the present study is looking at product, technological,

process and the marketing innovations. Innovation is mostly cost intensive [18], [19]. Hence, many business owners and managers shun innovation in case they land with negative result of their investment in innovation. The owners and managers have no confidence because of the scary business environment, and the low level of income of the inhabitants of the region. This scenario can impact negatively on the willingness of the owner/managers to take positive decision about innovativeness particularly in Northeast regional business environment in Nigeria. Unfortunately, there is a low chance that making innovation will increase remarkable patronage that guarantees benefit from the cost to be incurred on innovation by firms in this region given purchasing power of its inhabitants. Although several findings obtained positive result of innovation and SMEs performance relationship in developed economies [20], [21][22], [23] , validating and testing reliability of the data obtained from the poorly managed and unfavourable business environment using the measurement mode is worthwhile.

Proactiveness (PA)

Proactiveness depicts vibrant and principal moving business orientalist, encompassing business's ability to strategically outperform its competitors in tackling ahead of time, any upcoming changes in the environment [24]. Proactiveness involves swift act and skillful procedure, by which owner/managers handles uncertain business dealings carefully, honest process, and quick respond to situation demanding attention [25], [26]. The firm's commitment in pursuit of prospect that place them ahead of other competing companies is referred to as proactiveness [27]. It is equally seen as the willingness of firms to hunt ideals when opportunity prevails with the business environment [28]. Hence, proactive firms start to expect impending benefaction. Thus, (Covin & Miller, 2013) proclaimed that firms need to maintain planned reactivity and compassion to challenge oscillations that recurrently occur in undefined terms in our highly volatile business setting. Unfortunately, the case for the northeast region is even worse because of the persistent insecurity going on for more than a decade now. This ugly situation has resulted to low purchasing power of people in the area, backward in education, standard of living etc. Many business owners have closed other shops were looted [9]. In the light of the above, it is relevant to say that proactiveness prepares owner/managers against any unanticipated eventuality either threat or opportunity to harness it to increase their firm performance. But can the data obtained from this region be valid and reliable to predicting if proactiveness can improve firm performance will be answered using the measurement model.

Risk taking

Readiness or otherwise of a company to invest in a commercial project seeming somehow uncertain but possessing a great yield likelihood is called risk taking. Scholars like [15], [30], [31] see "risk-taking behaviour as the businesses' willingness to grasp positive chance in an indeterminate business setting [32]. Hence, risk taking entails the firms' ability to determine existing opportunities and harness these prevailing thoughts to the application of various means of achieving greater performance of the firm [28]. Businesses that are motivated by their creative drive lean towards producing new product line by adopting strategic management policies and processes, for instance by trying to be pace setter in sales, offering new or special products, and above all, taking risk of a systematic nature [33].

SMEs, owners/managers desire high paybacks to accrue on their investment options. Therefore, their risk-taking disposition correlates to their opportunities in investment [31]. In most cases, the outcomes of risk assumption may be typically related to instruments on which expectations of owner/managers are based e.g. self-centeredness, e.g. costs, yields, and the associated risk linked to the project [3]. To this end, determining if the items measuring the risk taking and SMEs performance by the way of measurement model analysis is apt to check for validity and reliability of such measures given the economic and business environment in the study area.

II. Methodology and Analysis of Data

The researcher applied a survey method in collecting the needed data for the study. The questionnaire items were adapted from past studies. Out of the 30 items presented to experts in the same field of study, they suggested three (3) questions dropped and two (2) more questions to be merged. These suggestions were all incorporated. Therefore, 24 items were administered in 1 – 5 Likert scale. 356 owner/managers out of over 4,000 SMEs in the Northeast area were selected on the simple random sampling basis and applying the Krejcie and Morgan's criteria [34]. Questionnaire numbering 64 were not returned. Furthermore, during coding, missing value and outlier management, the data were discovered to have 35 with missing values of more than 5% and therefore discarded.

Also, a total of 10 missing values had less than 5% items missing which were replaced by generating mean score of the data available using the SPSS version 25. Hence, these 10 questionnaires were added to make up the 259. The researcher therefore used 259 respondents for the measurement model analysis. Normality test was conducted to determine whether the data are normally distributed or not [35]. Applying the Shapiro-Wilk measurement, scores of values more than 0.840 and a p-value of less than 0.05 for all factors, the data are said be not normally distributed see table 1. The convergent validity for the construct will be tested using the Average Variance Expected (AVE). The AVE has to reach the threshold of 0.5 for all construct to indicate no problem of convergent validity. Internal consistency of the construct and reliability of the data will be tested using Composite Reliability (CR) of the data in the measurement model [36]. The result must show scores above 0.7 for the data to possess internal consistency.

Presentation and Analysis of Data

The raw data brought from the field study were subjected to several test and examinations. After coding, the data needed to be tested for normality, validity, and reliability [37]. Thereafter, the measurement model test was conducted as well.

Normality test

The table below depicts the result of the normality test conducted in SPSS 25 version to determine whether the data are normal or not. Using the Shapiro-Wilk test, the data are not normally distributed since all statistics values are above 0.840 that is a score closer to 1; and all the p-value are less than 0.05. This implies that, the researcher cannot use parametric test conduct SEM, but only nonparametric test can be used.

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
FP1	.215	259	.000	.841	259	.000
FP2	.203	259	.000	.884	259	.000
FP3	.204	259	.000	.886	259	.000
FP4	.201	259	.000	.870	259	.000

a. Lilliefors Significance Correction

Factor Analysis (FA)

Factor analysis was conducted to determine level of variability of the factors in the model. The study applied Confirmatory Factor Analysis (CFA) since the model of the study is already established in the literature. The CFA is used to assess the level of loadings of each factor in the component (Brown, 2008). The initial eigenvalue of 1 is set to be the minimum value of factors to be extracted. Thus, three factors were extracted. The first factor loaded 44.2% which is less than the 50% threshold for the first factor. The second factor loaded to itself only 9.352%. Factors loaded well as the cumulative of all extracted factors is 61.16% see table 2. Hence, the data are good for measurement modelling. The Cronbach's 'Alpha made value of 0.821 thus, reaching the threshold for the loading expected see Table 3.

Table 2. Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	7.070	44.184	44.184	7.070	44.184	44.184
2	1.496	9.352	53.537	1.496	9.352	53.537
3	1.220	7.625	61.162	1.220	7.625	61.162
4	.995	6.218	67.380			
5	.765	4.779	72.159			
6	.713	4.457	76.617			
7	.555	3.466	80.082			
8	.525	3.284	83.367			
9	.476	2.977	86.344			
10	.395	2.469	88.812			
11	.366	2.290	91.103			
12	.337	2.108	93.210			
13	.319	1.991	95.201			
14	.289	1.805	97.006			
15	.241	1.509	98.515			
16	.238	1.485	100.000			

Extraction Method: Principal Component Analysis.

Table 3. Reliability Statistics

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.821	.840	25

Measurement Model Assessment

The measurement model was applied to validate the study’s constructs. In this case, the chief focus in the assessment and goodness of the measurement model is to find how valid and reliable the construct and their indicators for further analysis are. [39] described validity of construct as degree to which set of variables measured what they are expected to evaluate based on established conceptual measurement. Hence, as mentioned early, the validity of these variables of study were evaluated by mean of the discriminant and convergent validity. In addition, Figure 1. represents the valid measurement model of the current study.

Discriminant Validity

The data were tested for discriminate validity. As can be seen in the table 4 below, each item has on its corresponding column value greater than those of the remaining items running under same column. That is, innovativeness with of value of 0.873 which is greater than all the remain values in that column, and the same case for all the other variable[40]. This depicts a validity data which is discrete from one other.

Table 4 Discriminant values

Constructs	IN	PA	RT	FP
Innovativeness	0.873			
Proactiveness		0.866		
Risk taking			0.795	
Firm Performance				0.893

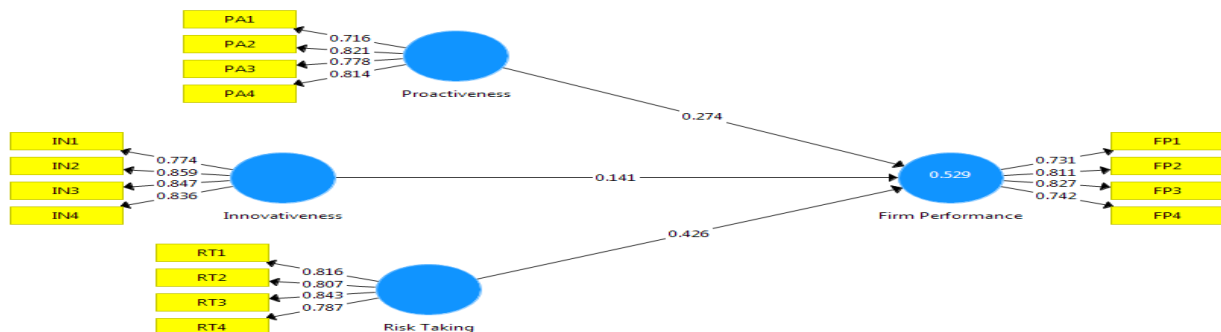


Figure 1 Measurement Model of the EO dimensions and Firm Performance relationships.

In figure 1 above, the direct relationship between the exogenous constructs and the endogenous construct were examined. Find below discussions on the dimensions of the EO below.

Measurement model of Innovativeness (IN)

Innovativeness has four (4) indicators, and the model examination result is presented in Table 4.4. The direct innovativeness and firm performance analysis with 4 indicators evaluating the innovativeness presented above 0.7 loadings for all the items, indicating a good loading. Equally, the paradigm attained an acceptable level of reliability given CR of 0.898. This shows that, the CR of the measurement model exceeds the threshold of 0.7 see Table 4. Hence, items assessing innovativeness signified they are satisfactory in terms of internal and consistency reliability [36]. Convergent validity was examined through the AVE extracted value. Thus, innovativeness has an AVE of 0.688; hence, result indicated that there is acceptable convergent validity since it exceeds 0.5. Also, the items assessing the innovativeness had Cronbach’s Alpha of 0.849 and rho A of 0.855. This shows that the measurement model proposed has adequate convergent validity. See Table 5 below.

Table 5 innovativeness measurement model result

Construct	Items	Factor Loading	rho_A	CR	AVE	Alpha
Innovativeness	IN1	0.774	0.855	0.898	0.688	0.849
	IN2	0.859				
	IN3	0.847				
	IN4	0.863				

Measurement Model of Proactiveness (PA)

Proactiveness equally has 4 items of measurement and result of model analysis is offered in Table 5. The proactiveness and firm performance direct relationship analysis obtained loadings for all the items above 0.7, showing good loadings. Similarly, the model achieved a reasonable level of reliability with CR of 0.864. Hence, the CR of the measurement model surpasses the threshold of 0.7 see Table 5. Therefore, items assessing proactiveness showed they are satisfactory in terms of internal and consistency reliability [39]. Convergent validity was examined through the AVE extracted value. Thus, proactiveness had an AVE of 0.614; hence, result indicated that there is satisfactory convergent validity as it exceeds 0.5 [37]. Similarly, the items assessing the proactiveness had Cronbach’s Alpha of 0.793 and rho_A of 0.819. This shows that the measurement model proposed has got adequate convergent validity. See Table 6 below.

Table 6. Proactiveness measure model

Construct	Items	Factor Loading	rho_A	CR	AVE	Alpha
Innovativeness	PA1	0.716	0.819	0.864	0.614	0.793
	PA2	0.821				
	PA3	0.778				
	PA4	0.814				

Measurement Model of Risk Taking (RT)

There are 4 items measuring risk taking and result of measurement model analysis conducted presented in Table 6. Risk taking by firms in unpredictable environment and firm performance direct relationship analysis obtained loadings for all the items above 0.7 which is good loadings. Likewise, the model attained a sound reliability level with CR of 0.887. Therefore, the CR score of the measurement model exceeds the threshold of 0.7 see Table 7. So, items measuring risk taking were adequate in terms of internal and consistency reliability [41]. Convergent validity was examined through the AVE extracted value. Thus, Risk taking achieved an AVE of 0.614; hence, result indicated that there is satisfactory convergent validity as it exceeds 0.5. Similarly, the items measuring risk taking obtained Cronbach’s Alpha of 0.793 and rho_A of 0.819. This shows that the measurement model proposed has achieved adequate convergent validity. See table 7 below.

Table 7. Risk taking measurement model

Construct	Items	Factor Loading	rho_A	CR	AVE	Alpha
Risk Taking	RT1	0.816	0.819	0.887	0.614	0.793
	RT2	0.807				
	RT3	0.843				
	RT4	0.787				

Measurement of Firm Performance (FP)

Firm performance also got 4 items measuring it and result of measurement model analysis conducted is displayed in Table 7. Firm performance remains difficult to forecast in unpredictable environment. Hence, need to analysis firm performance direct relationship with EO which found loadings for all the items exceeding 0.7 thresholds. Likewise, the model reached an adequate reliability level with CR of 0.860. Hence, the CR value of the measurement model analysis surpasses the threshold of 0.7 see Table 7. Consequently, items measuring firm performance were adequate in terms of internal and consistency reliability [41]. Convergent validity was studied through the AVE extracted value. Therefore, firm performance attained an AVE of 0.607; hence, result indicated that there is satisfactory convergent validity as it is above 0.5 normal thresholds [37]. Also, the items measuring firm performance achieved Cronbach’s Alpha of 0.783 and rho_A of 0.788. Hence, that the measurement model proposed has acquired adequate convergent validity. See Table 8 below.

Table 8. Firm Performance Measurement Model

Construct	Items	Factor Loading	rho_A	CR	AVE	Alpha
Firm Performance	FP1	0.731	0.788	0.860	0.607	0.783
	FP2	0.811				
	FP3	0.827				
	FP4	0.742				

Findings and Discussions

This study is intended to look at the validity and reliability of the data obtained from the owner/managers of firms in the Northeast region of Nigeria using the measurement model analysis in Smart PLS 3. The owner/managers’ responses were sought about their views on EO strategies and firm performance in the region which is bedevilled by made backward in terms of education, economic and all social spheres of life. The data were found valid and reliable as indicators measuring IN, PA, RT and FP all reach their threshold of 0.7 for factor loading. This means the indicator reliability were established. In the same vain, the AVE which measures convergent validity was found adequately above 0.5 minimum requirement [42]. Similarly, the CR reliability that indicates internal consistency showed accepted level of measures as all constructs scored above 0.7 each. This result implies that the owner/managers information are reliable and valid for further assessments in the structural model and making of inference and generalisation since all thresholds were met in the measurement model whose purpose is to assess the reliability and the volatility of the constructs and their indicators in measuring and predicting probability of occurrences.

Reference

- [1] S. Mohammed, A. Noraini, H. A. Umar, and M. M. Farrah, "Bibliometric Study of Global Trends in Entrepreneurial Orientation Using Scopus Database," *J. Crit. Rev.*, vol. 7, no. 6, pp. 231–238, 2020.
- [2] I. Kurniawan, U. Salim, M. Setiawan, and M. Rahayu, "The Mediating Role of Strategy Flexibility at the Effects of Entrepreneurial Orientation and Market Orientation on Business Performance Small Medium Enterprise Craft Sector in Indonesia," *Int. J. Recent Technol. Eng.*, vol. 8, no. 2, pp. 634–641, 2019, doi: 10.35940/ijrte.B1134.0982S919.
- [3] R. Uddin, T. K. Bose, and S. Yousuf, "Journal of Small Business & Entrepreneurship Entrepreneurial orientation (EO) and performance of business in Khulna City , Bangladesh," *J. Small Bus. Entrep.*, no. September 2015, 2015, doi: 10.1080/08276331.2015.1067356.
- [4] T. Beck, "Microfinance :—A Critical Literature Survey," Washington DC, 2015.
- [5] F. A. Lawal, O. A. Adegbuyi, O. O. Iyiola, O. E. Ayoade, and A. A. Taiwo, "Nexus between informal networks and risk-taking: Implications for improving the performance of small and medium enterprises (SMEs) in Nigeria," *Acad. Strateg. Manag. J.*, vol. 17, no. 2, p. 2018, 2018.
- [6] O. D. Adesanya *et al.*, "Entrepreneurial orientation and business performance of non-oil exporting SMEs in Lagos State, Nigeria," *Int. J. Entrep.*, vol. 22, no. 3, pp. 1–7, 2018, doi: 1939-4675-22-3-157.
- [7] A. A. Adegbuyi *et al.*, "Assessing the influence of entrepreneurial orientation on small and medium enterprises' performance," *Int. J. Entrep.*, vol. 22, no. 4, pp. 1–7, 2018.
- [8] Y. M. Kaigama, "The Role of Entrepreneurial Competency and Financial Literacy on the Survival of Small Business in Nigeria," utm, 2018.
- [9] S. Mohammed, "Affect of Insurgency on Operations of Small and Medium Business Enterprises : A Study on Impact Assessment in Nigeria," *Indian J. Appl. Res.*, vol. 6, no. September, pp. 487–490, 2016.
- [10] D. Miller, "The correlates of entrepreneurship in three types of firms.," *Manag. Sci.*, vol. 29, no. 7, pp. 770–791, 1983.
- [11] S. Kraus, J. Berchtold, C. Palmer, and M. Filser, "Entrepreneurial Orientation: The Dark Triad of Executive Personality," *J. Promot. Manag.*, vol. 24, no. 5, pp. 715–735, 2018, doi: 10.1080/10496491.2018.1405524.
- [12] J. G. Covin and D. P. Slevin, "Strategic management of small firms in hostile and benign environments," *Strateg. Manag. J.*, vol. 10, no. 1, pp. 75–87, 1989, doi: 10.1002/smj.4250100107.
- [13] G. T. Lumpkin and G. G. Dess, "Clarifying the Entrepreneurial Orientation Construct and Linking It to Performance Author (s): G . T . Lumpkin and Gregory G . Dess Source : The Academy of Management Review , Vol . 21 , No . 1 (Jan . , 1996) , pp . 135-172 Published by : Academy of

Man,” *Acad. Manag. Rev.*, vol. 21, no. 1, pp. 135–172, 1996.

[14] M. A. Nazri, K. A. Wahab, and N. A. Omar, “The effect of entrepreneurial orientation dimensions on takaful agency’s business performance in Malaysia,” *J. Pengur.*, vol. 45, no. 2015, pp. 83–94, 2015.

[15] J. Covin and W. Wales, “Crafting High-Impact Entrepreneurial Orientation Research: Some Suggested Guidelines,” *j*, vol. 43, no. 1, 2019, doi: 10.1177/1042258718773181.

[16] T. Semrau, T. Ambos, and S. Kraus, “Entrepreneurial orientation and SME performance across societal cultures : An international study ☆,” *J. Bus. Res.*, vol. 69, no. 5, pp. 1928–1932, 2016, doi: 10.1016/j.jbusres.2015.10.082.

[17] W. Omri, J. Courrent, and S. Chasse, “Do Entrepreneurial SMEs Perform Better Because They are More Responsible ?,” pp. 317–336, 2018, doi: 10.1007/s10551-016-3367-4.

[18] Shashi, P. Centobelli, R. Cerchione, and R. Singh, “The impact of leanness and innovativeness on environmental and financial performance : Insights from Indian SMEs,” *Int. J. Prod. Econ.*, vol. 212, no. February, pp. 111–124, 2019, doi: 10.1016/j.ijpe.2019.02.011.

[19] Z. Khanam, “Impact of Demographic Characteristics on Investment Amount : A Study on the general Investors of Dhaka Stock Exchange ,” vol. 9, no. 18, pp. 95–102, 2017.

[20] P. Chatzoglou, D. Chatzoudes, L. Sarigiannidis, and G. Theriou, “The role of firm-specific factors in the strategy-performance relationship Revisiting the resource-based view of the firm,” 2018, doi: 10.1108/MRR-10-2016-0243.

[21] W.-G. So and H.-K. Kim, “The Factors of External Environment, Technology Intensity and Competitive Intensity Affecting to Management Performance through Corporation Strategy,” *Asia-pacific J. Multimed. Serv. Converg. with Art, Humanit. Sociol.*, vol. 7, no. 11, pp. 49–61, Nov. 2017, doi: 10.14257/AJMAHS.2017.11.32.

[22] M. Kim and S. Chai, “Author ’ s Accepted Manuscript The impact of supplier innovativeness , information sharing and strategic sourcing on improving supply chain agility : Global supply chain perspective,” *Intern. J. Prod. Econ.*, 2017, doi: 10.1016/j.ijpe.2017.02.007.

[23] P. Chatzoglou and D. Chatzoudes, “The role of innovation in building competitive advantages: an empirical investigation,” *j*, vol. 21, no. 1, 2018, doi: 10.1108/EJIM-02-2017-0015.

[24] T. Gunawan, J. Jacob, and G. Duysters, “Network ties and entrepreneurial orientation : Innovative performance of SMEs in a developing country,” *j*, vol. 12, no. 2, pp. 575–599, 2016, doi: 10.1007/s11365-014-0355-y.

[25] T. John, “China’s 2008 Labor Contract Law: Implementation and Implications for China’s

Workers,” 2013.

[26] V. Ndou, G. Mele, and P. Del Vecchio, “Leisure , Sport & Tourism Education Entrepreneurship education in tourism : An investigation among European Universities,” *J. Hosp. Leis. Sport Tour. Educ.*, no. July, pp. 1–11, 2018, doi: 10.1016/j.jhlste.2018.10.003.

[27] A. O. Ajani and A. Oluyemi, “Relationship between entrepreneurial characteristics and performance of Small and Medium Scale Enterprise (a study of SMEs in Yaba LCDA),” *Int. J. Bus. Soc. Sci.*, vol. 7, no. 9, p. pp.137-146, 2016.

[28] N. J. Astrini, T. Rakhmawati, S. Sumaedi, M. Bakti, I.G.M.Y. Yarmen, and S. Damayanti, “Entrepreneurship of Indonesian SMEs Innovativeness , Proactiveness , and Risk-taking : Corporate Entrepreneurship of Indonesian SMEs,” 2020, doi: 10.1088/1757-899X/722/1/012037.

[29] J. G. Covin and D. Miller, “E T & P Orientation : Conceptual,” no. 812, pp. 1–34, 2013, doi: 10.1111/etap.12027.

[30] J. G. Covin and W. J. Wales, “The Measurement of Entrepreneurial Orientation,” *Entrep. Theory Pract.*, vol. 36, no. 4, pp. 677–702, 2012, doi: 10.1111/j.1540-6520.2010.00432.x.

[31] J. Block, P. Sandner, and F. Spiegel, “How do risk attitudes differ within the group of entrepreneurs? The role of motivation and procedural utility.,” *J. Small Bus. Manag.*, vol. 54, no. 1, pp. 183–206, 2015.

[32] H. Florén, J. Rundquist, and S. Fischer, “Entrepreneurial orientation and human resource management : effects from HRM practices,” *J. Organ. Eff. People Perform.*, vol. 3, no. 2, 2016, doi: 10.1108/JOEPP-03-2016-0029.

[33] J. M. Campbell and J. Park, “Journal of Retailing and Consumer Services Extending the resource-based view : Effects of strategic orientation toward community on small business performance,” *J. Retail. Consum. Serv.*, pp. 1–7, 2016, doi: 10.1016/j.jretconser.2016.01.013.

[34] R. Krejcie and D. Morgan, “Determining sample size for research activities,” *Educ. Psychol. Meas.*, vol. 30, pp. 607-610., 1970.

[35] J. F. Hair, M. Celsi, A. Money, P. Samouel, and M. & Page, *Essentials of Business Research Methods*, T H I R D. London: Routledge, 2012.

[36] L. M. Matthews, M. Sarstedt, J. F. Hair, and C. M. Ringle, “Identifying and treating unobserved heterogeneity with FIMIX-PLS: part II # a case study,” *Eur. Bus. Rev.*, vol. 28, no. 2, pp. 1–38, 2016.

[37] J. F. Hair, C. M. Ringle, and M. Sarstedt, “Partial Least Squares Structural Equation Modeling: Rigorous Applications, Better Results and Higher Acceptance,” *Long Range Plann.*, vol. 46, no. 1–2, pp. 1–12, 2013, doi: 10.1016/j.lrp.2013.01.001.

- [38] T. . A. Brown, *Confirmatory Factor Analysis for Applied Research*, vol. 62, no. 1. 2008.
- [39] J. F. Hair, H. G. M. Tomas, C. M. Ringle, and M. Sarstedt, *A primer on Partial least squares structural equation Modeling PLS_SEM*. SAGE, 2017.
- [40] D. F. Fornell, C. & Lacker, “Evaluating structural equation models with unobservable variables & measurement error. Executive,” *Acad. Manag.*, vol. 6, no. 4, pp. 27–39, 1981.
- [41] J. F. Hair, G. T. M. Hult, C. M. Ringle, & S. M., and K. O. Thiele, “Mirrow on the wall: A comparative evaluation of composite-based structural equation modeling methods.,” *J. Acad. Mark. Sci.*, vol. 45, no. 5, pp. 616–632, 2017.
- [42] G. T. M. Huit, J. F. Hair, D. Proksch, M. Sarstedt, A. Pinkwart, and C. M. Ringle, “Addressing endogeneity in international marketing applications of partial least squares structural equation modeling,” *J. Int. Mark.*, vol. 26, no. 3, pp. 1–21, 2018, doi: 10.1509/jim.17.0151.