

## **ENTREPRENEURIAL ORIENTATION AND ORGANIZATIONAL COMPETITIVENESS IN THE HOSPITALITY SECTOR IN PORT HARCOURT**

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### **ABSTRACT**

This study investigated the relationship between entrepreneurial orientation and organizational competitiveness of hotel in Port Harcourt. The study utilized quasi-experimental research design based on cross sectional survey. Data were collected through questionnaire and 145 copies of questionnaire were distributed out of which 142 copies were returned as valid copies. Preliminary analyses were performed to ensure violation of the assumptions of normality, linearity and homogeneity. Thus, a non-parametric spearman statistical rank order correlation technique was utilized to test hypotheses. The findings revealed a positive and significant relationship between the dimensions of entrepreneurial orientation and measures of organizational competitiveness which are correlated. Based on these findings, we recommended that management and individual in hotel business should take pro-active measures to invest in opportunities that are not open to others to gain organizational competitiveness. They should develop innovative mindset and see innovation as the vehicle through which they satisfy customer value and that will enable the firm to gain organizational competitiveness. They should also see risk-taking from the positive side and should invest in only highly profitable business opportunities that will bring huge profit to shareholders to enable them grow.

**Keywords:** *Customer value, Entrepreneur, Entrepreneurial orientation, Innovativeness, Organizational competitiveness, Pro-activeness, Risk-taking, Shareholder value*

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## 1.1 Introduction

The changing business environment has forced businesses into competing situations whereby businesses without the internal and external strengths are now phasing out of operations (Hitt, Ireland & Hoskinson, 2003). Scholars have been overwhelmed by the competitive environment that organizations find themselves today. Gomes Fernandes & Soberia (2011) claim that organizational competitiveness is relevant to entrepreneurs as it assists in devising new competitive strategies. Ulrich (1998) observed that enhancing organizational competitiveness enables current organizations to recognize the mechanisms on how to tackle the complex and challenging business operations under pressure from the stifling global market where they now operate. This implies that business organizations will need to develop effective organizational competitive strategies to break through the competitive environment. Organizational competitiveness relies on how much the firms or entrepreneurs effectively meet their own needs and the needs of the customers than those of its competitors that are producing the same quality of products (Iftikhar, Jan & NaJmi, 2015).

Yeh, Lai, and Ho (2006) established that the oriented factor of organizational competitiveness lies in the ability of the management in the organization to actually identify the full potential of entrepreneurial intellectual assets with regard to implementing strategic and tactical decisions to satisfy customers' value. Ifikhar et al. (2015) observed that taking important decisions with respect to cost effectiveness, improving quality of products to meet customer values and employee social status for the firm to stay in business. Improving productivity is crucial for the attainment of organizational competitiveness. Gaining competitive advantage will help entrepreneurs to stand the chance of productivity improvement, attain shareholders' and customers' value, profitability, quality of products, cost effectiveness and customer loyalty and satisfaction (Iftikhar, et al., 2015). Competitiveness can be viewed at the individual, firm or country level (Barney, 2001).

Duru (2011) observed that in totality, the aim and idea behind entrepreneurial orientation is to establish self-employing businesses, a new enterprise that ensure the availability of new products, to meet shareholders' and customers' value, and to satisfy the market place, thereby creating job opportunities that will contribute to the growth of the economy (Duru, 2011). This is in line with the earlier work of Drucker (1970) who made it plain that the activities of the entrepreneur will actually influence the economy as the entrepreneurs take risk, create new business ideas and values from the existing ones and start up new organizations.

Other scholars have found that entrepreneur orientation is a major driver for organizational success and profitability (Ranch. Et al. 2009; Covin & Slevin, 1986; Kuhn, Sassmam Shausen & Zolin, 2010). Some scholars also asserted that firms that have strong entrepreneurial orientation also penetrate the market easily and perform better (Wiklund & shepherd, 2005; Hitt, et al, 2003; Zahra, 1993). The concept of entrepreneurial orientation was developed by Miller (1983) as consisting of three

dimensions: innovativeness, proactiveness and risk-taking. It is a firm-level strategic orientation which characterizes the firm's strategic decision-making process, practices, philosophies and behaviour that propels the management of the organization; it refers to the processes, practices, behaviour and decision-making activities of an entrepreneurial business (Child, 1972.) It can also be seen as a capability that offers a lasting competitive advantage and superior performance to a firm and therefore a measure of its success (Porter, 1991).

However, despite these series of research studies in an attempt to identify the challenges to make improvement and to remedy the failing attempts of individuals entrepreneurs in 'breaking the bars' improving the achievements and the benefits from entrepreneurial performance activities in the competitive business world, no serious research study has been conducted to examine if there are any significant relationship between entrepreneurial orientations and organizational competitiveness in the hospitality sector in Port Harcourt.

Hence, this study seeks to examine the relationship between the dimensions of entrepreneurial orientation and measures of organizational competitiveness as adopted in this work with a view to providing better understanding of how entrepreneurial orientation might improve organizational competitiveness in hospitality sector in Port Harcourt. The study will also explain how culture moderates this relationship.

## **1.2 Statement of the Problem**

A firm, whether private or public, profitable or not that pursues organizational competitiveness improves quality of products to meet customer values which enable the firm to stay in business (Porter, 2005; Hector & Olmos, 2012). According to Roman, Piana, Lozano, Mello & Erdman (2012), gaining organizational competitive advantage leads to survival in this challenging business environment through cost leadership (Porter, 1980; 1985), innovation, knowledge application, reliability, social responsibility, communication technology, human capital relations and production techniques (Roman, et al., 2012). Along these lines, the fundamental motivation behind any business is to relate the values it offers to the values requested by its customers. Furer and Chaharbaghi (1994) found that where there is organizational competitiveness, there is also increase in customer value and maximization of share holders' value as well (Furer & Chaharbaghi, 1994).

However, with respect to organizational competitiveness in hospitality sector in Port Harcourt, the study by Austin and Justin (2012) found that the major causes of business failure in this sector stemmed from failure of a firm to identify itself and its position in the market; lack of identifying its target markets and lack of satisfying its customers through value delivery more viably than their rivals (Thompson, 1997; Austin & Justin, 2012). These have led to poor customer loyalty and lack of customer satisfaction which resulted in poor firms' growth (Austin & Justin, 2012). Adegbite, Ilori, Ireferin, Aberaijo and Adaremi (2007) found that poor organizational competitiveness have caused low

dividends to shareholders, unprofitable business operations and poor quality output due to inability to meet customers' value.

Thus, to solve these problems, the study adopts learning theory. This learning concept though may have limited applicability to entrepreneurs due to the enormous task performed by them which has reduced their chances of repetitive performance and has proved useful in entrepreneurial orientation construct and would be used in tackling the problem in this study. Better customer value comprehension will demand the need to present only the aspect of value that is vital to customers so as to gain competitive advantage. There is also the need to examine along and which value is perceived by customer most importantly because the customer's needs change after sometime (Woodruff, 1997; Flint, Robert, Woodruff, & Gardial, 2002; Anderson, Narus, & Rossum, 2006).

Thus, this has prompted this study to examine the relationship between entrepreneurial orientation and organizational competitiveness, specifically on how customer value and shareholder value will ensure organizational competitiveness through entrepreneurial orientation looking at pro-activeness, innovativeness and risk-taking in Hospitality sector in Port Harcourt. Also, by using organizational culture as the moderating variable in order to build a strong concept of entrepreneurial orientation that will enable entrepreneurs to gain competitive advantage and to stay in business operations in the hospitality sector in Port Harcourt which will also add to the growth of Nigerian economy.

### **1.3 Aims and Objectives of the Study.**

The aim of the study is to critically examine the relationship between entrepreneurial orientation and organizational competitiveness in hospitality sector in Port Harcourt. The specific objectives are:

- i.* To examine if there is any significant relationship between pro-activeness and organizational competitiveness in hospitality sector in Port Harcourt.
- ii.* To examine if there is any significant relationship between innovativeness and organizational competitiveness in hospitality sector in Port Harcourt.
- iii.* To examine if there is any significant relationship between risk-taking and organizational competitiveness in hospitality sector in Port Harcourt.
- iv.* To determine the extent to which organizational culture moderates the relationship between entrepreneurial orientation and organizational competitiveness in hospitality sector in Port Harcourt.

### **1.4 Research Questions.**

The following research questions will guide the study:

- i.* What is the relationship between pro-activeness and organizational competitiveness?

- ii. What is the relationship between innovativeness and organizational competitiveness?
- iii. What is the relationship between risk-taking and organizational competitiveness?
- iv. How does organizational culture moderate the relationship between entrepreneurial orientation and organizational competitiveness?

### **1.5 Research Hypotheses.**

The following hypotheses were formulated in the null form to be tested in research study:

**H<sub>01</sub>:** There is no significant relationship between pro-activeness and customer value in hospitality sector in Port Harcourt.

**H<sub>02</sub>:** There is no significant relationship between pro-activeness and shareholder value in hospitality sector in Port Harcourt.

**H<sub>03</sub>:** There is no significant relationship between innovativeness and customer value in hospitality sector in Port Harcourt.

**H<sub>04</sub>:** There is no significant relationship between innovativeness and shareholder value in hospitality sector in Port Harcourt.

**H<sub>05</sub>:** There is no significant relationship between risk-taking and customer value in hospitality sector in Port Harcourt.

**H<sub>06</sub>:** There is no significant relationship between risk-taking and shareholder value in hospitality sector in Port Harcourt.

**H<sub>07</sub>:** Organizational Culture does not moderate the relationship between entrepreneurial orientation and organizational competitiveness in hospitality sector in Port Harcourt.

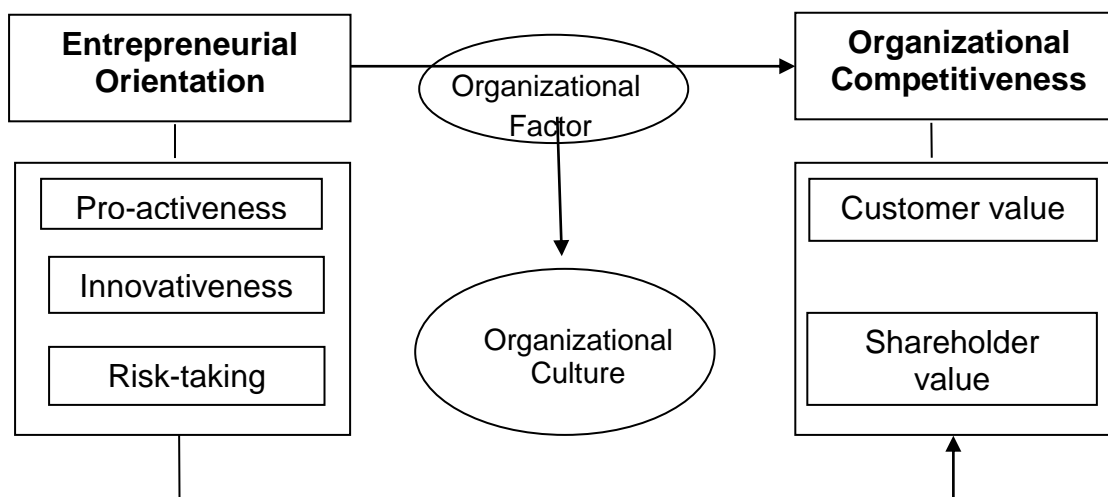
### **2.1 Theoretical Foundation and Conceptual Framework.**

A careful review of literature on learning in psychology and management suggests three major sources of learning: learning by doing, memorizing new information as a result of training, and replacement of incorrect information or knowledge due to negative feedback (Anzai & Simeon 1979). However, experiential learning models represent the most widely adopted perspective of organizational and management theory because they are well-suited in explaining the emergence of change of organization learning (Cyert and March 1963). This learning concept though may have limited applicability to entrepreneurs due to the enormous task performed by them which has reduced their chances of repetitive performance has proved useful in entrepreneurial orientation construct and will form the basis for the study.

Sinkula et al. (1997) conceptualize learning orientation (LO) as an association's qualities (i.e. duty to learning, receptiveness, and shared vision) that impact its inclination to make and utilize information. Such values manage a company's conduct and procedures of obtaining different data, creating normal comprehension of data procured, and producing new information or hierarchical experiences. As Harrison and Leitch, (2005) noted, a learning firm bears and concentrates on the securing of information that is possibly valuable for the firm by keeping in mind the end goal to refine existing learning and schedules (i.e. versatile learning) or to address long-held presumptions and build up another state of mind (i.e. generative learning) (Slater & Narver, 1995). Learning orientation supports firms' inward self-recharging, and is a critical part of firms' strategizing exercises (Covin et al., 2006). Covin et al. (2006) figure that the strategizing exercises that hierarchical learning involves - how firms gain from, and refine or rethink their significant business-related choices and the examples they accept - are basic to augment the impact of the EO on firm operations (Fiol & Lyles, 1985).

This study expands on the current collection of work and, all the more particularly, conceptualizes LO as a factor of the EO-performance relationship. Entrepreneurial firms always confront intricate and turbulent external conditions (Lumpkin and Dess, 1996) that are prolific for new data and learning and thus give a setting that is helpful for data securing and scattering. The more entrepreneurial a firm is, the more proactively and widely it takes part in ecological filtering (Daft & Weick, 1984), and the more prominent degree to which it is included in data obtaining and dispersal (Sinkula, 1994).

Moreover, entrepreneurial firms are creative and chance-tolerant, and in this manner give the inside condition in which learning through investigation and experimentation is well on the way to happen (Hamel and Prahalad, 1991; Slater and Narver, 1995). Nonetheless, to receive the rewards of entrepreneurial endeavors, a firm should be focused on learning, liberal to new data and better approaches for getting things done, and above all, participate in shared elucidation of data where an accord on the significance of the data is accomplished (Sinkula, 1994; Slater and Narver, 1995). Consequently, it is through learning orientation that a firm boosts the effect of EO on firm performance to gain competitive advantage.



Conceptual framework on entrepreneurial orientation and organizational competitiveness.

Source: Researcher's Conceptualization from Review of Related Literature, 2017.

## 2.2 Concept of Entrepreneurial Orientation.

Entrepreneurial orientation has gained significant recognition over the years. The circumstances surrounding entrepreneurship performance today has necessitated the need for entrepreneurial orientation (Wong, Ho & Autio, 2005). As noted in some developing countries, the contribution from the performance of small and medium scale businesses have in a long way enhanced the growth of the nation's economy (Musa & Adewale, 2015). Musa and Adewale (2015) argue that entrepreneurship plays an important role in any economic development and has been a bone of contention whether without the entrepreneurs the economic situation in a country might not function effectively.

## 2.3 Concept of Organizational Competitiveness

Ketels (2016) stated that the term 'competitiveness' has been examined intensively in academic works and over the years (see Porter, 1990; Krugman, 1994). The views on competitiveness have not been resolved which demands more debates as to what competitiveness is all about (Ketels, 2016).

### 2.3.1 Customer Value

Bermejo & Monroy (2010) assert that customers are essential factor for firm's survival. However, being immaterial, it is hard to allot them value. But the question is how might we gauge the estimation of our customers? What viewpoints would be advisable for us to consider arranging business forms which permit us to have better customers division, high gainfulness and make more incentive for our firm? These are the two primary questions that request answers in this research work.

Zeithaml (1988) claims that conveying value to customers is a vital responsibility of entrepreneurs, pioneers, and business leaders. For firms to achieve benefits, customers

must get an incentive from a market offer and have the will to pay for the benefit. Gale, (2000) claims that customer value concentrates on how individuals choose among contending suppliers. This leads organizations to look for the responses to three customer value questions such as; what are the key purchasing components that customers value when they pick among our business and those competing with us? How do customers rate our performance versus rivals on every key purchasing? - What is the rate significance of each of these parts of value does customers need? (Gale, 2000).

### **2.3.2 Shareholders' Value**

Shareholders' value is another important measure of organizational competitiveness (Jensen, 2002). McTaggart, Kontes, and Mankins (1994) support this view that maximizing shareholders' value should not be seen as an abstract, or view it from a short-sighted point, and it should not be even seen impractical as some might think, but on the other hand, should be a concrete future oriented goal. Feurer and Chaharbaghi (1994) asserted that a firm could be termed competitive in the eyes of its shareholders if the firm possessed the ability to provide the needed return on investments, then, shareholders' value will sustain the firm for further investments (Feurer & Chaharbaghi, 1994).

McTaggart et al. (1994) observed that shareholders' value constitutes the best measure of wealth creation for the organization, its maximization of all these constituting the pillars of the firm ranging from individuals or groups who can affect welfare of the company. Jennson (2002) argue that these should include directors, financial controllers, employees, customers, government, communities, territories the environment can thrive. Although, the idea of shareholders' value maximization is under scrutiny, it still stands as vehicle for business growth in today's competitive business cooperation.

Shareholders are the stakeholders inside the firm and can make or mar the firm's success (Freman, 2002). To support this view, McTaggart et al. (1994) believed that shareholders' value maximization provides managers and directors with the zeal to solve problem including conflicts that might serve as barrier to all shareholders' benefits. This means that shareholders are the roots of the firms operations.

### **2.4 Entrepreneurial Orientation and Organizational Competitiveness.**

It is impractical in today's business condition to work without seeing or meeting other people who are in similar business operations in spite of their location. Organizational competitiveness has been seen as the extent to which organizations compete with others, either seen or unseen and without minding where they are (Ambasthe & Momaya, 2003). An entrepreneurial orientation plays a major role in this aspect. Ambastha and Momaya (2003) argue that competitiveness is the most essential in strategic management and that for firms to succeed they need to organize their functional lines (Porter 1999). That is why it is said that competitiveness has a close range with strategic process (McGahan, 1999). Organizational competitiveness is very important for entrepreneurs to succeed in their operations. Porter



(1998) argues that firms compete and not nations. In addition to this, Prahalad and Hamel (1990) argue that competitiveness will be more real to individual firms seeking to penetrate into the global market, as such demands that entrepreneurial orientation should be of high regards in this situation. It is noteworthy that organizational competitiveness assists many companies who seek new ways and methods of offering products. The opportunity to provide customers with quality products, need value and customer satisfaction than other firms or competitors (Barney, 1991). Hence, the importance of organizational competitiveness cannot be overemphasized.

#### **2.4.1 Pro-Activeness and Organizational Competitiveness**

Many scholars have seen pro-activeness as one of the critical indices of entrepreneurial orientation (Miller, 1983; Verhees & Meulenbergh, 2004). Hughes and Morgan (2007) argue that an entrepreneurial firm is the one that develops pro-active measures before other firms or competitors. Pro-activeness takes precedence of other dimensions as it is the capability to predict and act on future needs and take advantage of the competition (Miller, 1983). The focus of pro-activeness is on future demand of products (Baker & Sinkula, 2009). Therefore, pro-activeness involves seeking new business applications or operations.

This is in accordance with Ventakaraman (1989) who argue that pro-activeness entails seeking new opportunities which may or may not be in relation to the existing business operations. Entrepreneurs are more proactive when they are conversant with the changing trend in the environment where they operate by bringing in new products ahead of their competitors, ravaging the market for new opportunities and capturing the marketing elements for survival (Wiklund & Shepherd, 2003). These elements might involve the resources, which entrepreneurial organizations use in marketing to enhance competition (Ogunsiji & Kayode, 2010). Therefore, instilling pro-activeness in the minds of entrepreneurs, coupled with its culture and leadership will ensure viable competitive advantage over its competitors. Thus, pro-activeness of the entrepreneur requires systematic management of the organizational resources as well as the marketing elements.

**H<sub>01</sub>:** There is no significant relationship between pro-activeness and customer value in hospitality sector in Port Harcourt.

**H<sub>02</sub>:** There is no significant relationship between pro-activeness and shareholder value in hospitality sector in Port Harcourt.

#### **2.4.2 Innovativeness and Organizational Competitiveness**

Entrepreneurial orientation focusing innovativeness is very important. Koontz, Cannice and Weihrich (2011) say that innovation is solely based on bright ideas of which to achieve its outcome sometimes maybe risky or unsuccessful. But what is innovativeness?

Many scholars (Markides, 1997; Leoarl, & Rayport, 1997, Patz, 1986) have attempted to express its meanings and its importance to entrepreneurial performance over the years, and yet it still needs more emphases especially when dealing with a research study of this nature

that depends on its applications. Without delving into the forms and types of innovation, Hitt, et al. (2005) defined innovativeness as the extent to which firm develop the tendency to generate new ideas, experimentation and creative process that may prompt a new product development, new services and new technological processing methods. This shows that innovativeness is the ability of entrepreneurs to form the habit of digging out new ways of promoting the value of the existing or new products so as to remain in entrepreneurial operations.

**H<sub>03</sub>:** There is no significant relationship between innovativeness and customer value in hospitality sector in Port Harcourt.

**H<sub>04</sub>:** There is no significant relationship between innovativeness and shareholder value in hospitality sector in Port Harcourt.

### **2.4.3 Risk-Taking and Organizational Competitiveness**

In today's business operations, risk-taking plays a major role in any successful entrepreneurial operation. Lumpkin and Dess (1996) noted that entrepreneurial organizations are risks takers when compared to other businesses, especially when seeking for new business investments or opportunities. Coulthard (2007) defined risk-taking as how SMEs take bold steps into unknown markets without fear commit their resources in large quantity without certainty to achieve their results, or outcomes.

Some of these resources used are borrowed and for the fact that an entrepreneur has seen the opportunity and success that may come as a result, may enable him to take such high level of risks (Duru, 2011). This implies that entrepreneurial risk-taking may result in profit or loss. But high risk-taking may result in high level of profits. Thus, the study hypothesized that:

**H<sub>05</sub>:** There is no significant relationship between risk-taking and customer value in hospitality sector in Port Harcourt.

**H<sub>06</sub>:** There is no significant relationship between risk-taking and shareholder value in hospitality sector in Port Harcourt.

### **2.5 Moderating Influence of Organizational Culture on the relationship between entrepreneurial orientation and Organizational Competitiveness**

Griffin (2005) claimed that culture is the main driver of risk-taking propensity at different levels. This entails that culture will assist companies in coordinating the desire for taking risk especially when faced with opportunities that are not open to others. Culture is an important part of an entrepreneurship as such services as glue that bind the behaviour of entrepreneurs in the firm (Griffin, 2005).

Quick and Nelson (2003) found that culture especially in corporate perspective dictate a pattern of basic characteristics that serve as an assumption that are valid and taught the new members of organization as the way they need to see, think, feel and perceive the organization. Quinn and Rohrbaugh, (1983) did a spatial analysis of the several effectiveness

measures which was later adopted as a multi-dimensional framework to assess culture and organizational effectiveness. The competing value framework conceptualizes the difference between structure and focus. The structure dimension highlights the differences between firms that strive for consistent pattern of behaviour and those that allow their employees to dictate their behaviours. Scholars have found that a highly aggressive competitive entrepreneur sees the opportunities that are hidden to others based on their degree of cultural adoption and awareness and its values (Hitt, et al. 2003, Terrence, & Aklen, 1982).

Culture also assists entrepreneurs in engaging in innovation of products, service patterns, operations and processes (Hitt, et al. 2003). Furthermore, a strong culture as noted by Quick and Nelson (2003) facilitate performance for three reasons which include; goal alignment, motivation and effective control. To know whether a strong culture exists, Ketter and Heskett (1992) conducted a study on 207 firms within variety of industries. They found that a strong culture exists and has strong correlation with firms' performance especially in an economic aspect and in a long term measure. Yao, Wen & Ren (2009) found that among other variables that play key roles in entrepreneurial orientation of employee, organizational culture plays a significant role as it encourages the conduct that is consistent in the organization. Terrence, and Aklen (1982) argue that organizational culture is the set of values, behaviours, customs and attitude that shape and assist the organizational members to know what the organization stands for, the way the business functions and what is seen as the importance to the organization.

**H<sub>07</sub>:** Organizational Culture does not moderate the relationship between entrepreneurial orientation and organizational competitiveness in hospitality sector in Port Harcourt.

### **3.1 Research Design.**

The study will adopt quasi-experimental research designed since it is a cross sectional survey study, because the variables are outside the control of the researcher, and it is descriptive in nature.

### **3.2 Population of the Study.**

The available record shows that there are 390 registered hotels in hospitality sector in Port Harcourt (*Hotel Owners Association Desk*). This study will only focus on 145 respondents in those hotel businesses that are operating within the Government Reserved Area (GRA) in Port Harcourt, and will examine thirteen (13) of these hotels which were ready to cooperate with the researcher in supplying the relevant information. In these hotels, the core staff will be considered ranging from the owner managers (Entrepreneurs), employee managers and the line staff (front desk).

### **3.3 Sample Size Determination.**

To determine the sample size of the study, Taro Yamene's formula will be adopted as shown below:

$$n = \frac{N}{1 + N(e)^2}$$

Where; n = sample size sought

e = Level of significance usually 5% (0.05)

N = Population size

$$n = \frac{230}{1 + 230(0.05)^2} = \frac{230}{1.575} = 145$$

Therefore, 145 copies of questionnaire will be distributed to the 145 respondents in thirteen (13) hotels in the hospitality sector in Port Harcourt.

### 3.4 Methods of Data Collection

Printed copies of questionnaire were used in data collection. The reason for using Questionnaire is for the respondents to have enough time and opportunity to ponder over the questions before answering them. The additional information in this study will be collected from journal articles, text books and other publications and these will be the secondary source of data.

### 3.5 Questionnaire Design

The questionnaire will be designed in a simple structure, and will be divided into three sections; A, B and C.

### 3.6 Operational Measures of the Study Variables

This study is concerned with three dimensions of the independent variable (entrepreneurial orientation) adopted from the work of Miller (1983). There are four items which were used to measure these variables on the Likert 1-4 points measuring scale, ranging from strongly agree to strongly disagree. Where strongly agree will score 4-points, agree = 3-points, disagree = 2-points, and strongly disagree = 1-point.

The measures of organizational competitiveness were adopted from the work of Feurer and Chaharbaghi (1994). Four items will be used to measure each of these variables on the Likert 1-4 points measuring scale, ranging from strongly agree to strongly disagree. Where strongly agree will score 4-points, agree = 3-points, disagree = 2-points, and strongly disagree = 1-point.

Organizational culture was adopted from the work of Quinn and Rohrbaugh, (1983). Four items statement were used to measure this variable on Likert 1-4 points measuring scale, ranging from strongly agree to strongly disagree. Where strongly agree will score 4-points, agree = 3-points, disagree = 2-points, and strongly disagree = 1-point.

### 3.8 Data Analysis Techniques

The hypotheses will be tested using Spearman's Rank Order Correlation coefficient. To test the significant level of the relationship between the independent and the dependent variables, Z-test would be appropriate in the computation of the level of significance.

#### 4.1 Data Analysis.

##### Summary of the Result or findings of the Tested hypotheses and Decision-Making

S/N	Hypotheses	Correlation	Significance	Magnitudes of Relationship	Direction of relationship	Decision
H <sub>01</sub>	Pro-activeness and customer value	0.585	0.000	Moderate	Positive	Reject H <sub>01</sub>
H <sub>02</sub>	pro-activeness and shareholder value	0.677	0.000	Strong	Positive	Reject H <sub>02</sub>
H <sub>03</sub>	Innovativeness and customer value	0.628	0.000	Strong	Positive	Reject H <sub>03</sub>
H <sub>04</sub>	Innovativeness and shareholder value	0.459	0.000	Moderate	Positive	Reject H <sub>04</sub>
H <sub>05</sub>	Risk-taking and customer value	0.644	0.000	Strong	Positive	Reject H <sub>05</sub>
H <sub>06</sub>	Risk-taking and shareholder value	0.763	0.000	Strong	Positive	Reject H <sub>06</sub>
H <sub>07</sub>	Moderating influence of culture	0.377	0.000	Moderate	Positive	Reject H <sub>07</sub>

Source: SPSS Data Output (2017).

From the summary of result of tested hypothesis, it therefore implies that:

- i. Pro-activeness has a positive effect on customers' value. This implies that if entrepreneurs in hospitality sector become proactive, there is tendency that they will increase customers' value.

- ii.* Similarly, the positive relationship between pro-activeness and shareholders' value means that the pro-active measures by entrepreneurs in the hospitality sector will increase shareholders value as well.
- iii.* Innovativeness has a positive influence on customers' value which implies that the extent to which entrepreneur in hospitality sector embark on new service rendering that satisfy customer needs will increase customer's value.
- iv.* Innovativeness has a positive influence on shareholders' value which implies that the extent to which entrepreneur in hospitality sector embark on new service rendering that satisfy customer needs will increase customer's value will bring return on investment of profit the shareholders.
- v.* Risk-taking moderately affects customer's value. This implies that if the entrepreneurs in the hospitality sector take risk by investing in opportunities and identify what customers need, it will increase customer value to the firms. Risk-taking has a strong influence on shareholders' value. This implies that if the entrepreneurs in the hospitality sector take risk on profitable goal and actually achieve it, it will increase returns on investment that maximize shareholders' wealth.
- vi.* Organizational culture moderately influences the relationship between entrepreneurial Orientation and organizational competitiveness in a positive direction. As it becomes favorable, competitiveness increases.

## 4.2 Discussion of Findings

### **Pro-Activeness and Organizational Competiveness.**

From the analysis of hypothesis one, the finding shows a significant relationship between pro-activeness and customer value. This finding is supported by the work of Morris and Paul, (1998), Rauch et al. (2009) and Oni (2012).

In the study by Rauch et al. (2009), it was found that entrepreneurial orientation leads to increase in profitability, therefore, pro-activeness were encouraged to be pursued to the highest degree to provide customer's value especially when proactive measures are successful. Oni (2012) also conducted a relevant study on entrepreneurial pro-activeness on business performance in Nigeria which revealed that pro-activeness especially when it is high also improves performance measure. This study recommends that entrepreneurial pro-activeness should serve as strategies and steps for improving entrepreneurial performance.

The finding from the hypothesis supports Lumpkin and Dess (2001) that it is the ability of the firm to explore the market potentials by seeking new opportunities which sometimes may relate or not depend on the existing products. Wang & Ahmed (2004) found that entrepreneurial orientation by focusing on pro-activeness or including the aspect of pro-activeness, demands strategic positioning that is effective, and that such effective strategies would be successful if and only if the strategies are implemented based on the idea to bring new products that is accepted in the market, and brings returns on investment to shareholders. The result from the work of Lesinye, et al. (2015) also testified that pro-activeness has a direct relationship with profit maximizations as entrepreneurs take new initiatives and step

ahead of others (Osaze, 2003). Pro-activeness increases shareholders' value if the opportunities identified are actually utilized effectively as pro-activeness takes side with risk and innovation assumptions which bring profits to its shareholders.

### **Innovativeness and Organizational Competiveness.**

From the analysis of hypothesis three, the finding showed a significant relationship between Innovativeness and customer Value. This finding is supported by the work of Lieberman & Montgomery (1988), Morris and Paul, (1998), Kanten and Yaşlıoğlu (2012), Kraus et al. (2012), and Anlessimbya, Eshun and Bonuedi (2015), Morris and Paul, (1998) who found that innovativeness is closely related to imitativeness and the idea behind it denotes the creation of new ideas, products to meet Customers' needs. The study by Kanten and Yaşlıoğlu (2012) on 199 managers of hotel establishments in Turkey which focused on innovations on services and processes showed a significant relationship between innovation and customer value.

On the other hand, the finding is against the findings from the study conducted by Anlessimbya, Eshun and Bonuedi (2015). However, the reason for negative result was explained by Anlessimbya, et al. (2015) who contended that there could be no significant relationship if firm's owners are not dealing in new products or appealing to customers in a satisfying way. Thus, this present study agrees with many scholars (Matchaba-Hove & Vambe, 2014; Fatoki, 2014; Kraus et al. 2012), who have attested that a good relationship exists. Hence, innovativeness will lead to customer value especially when innovative measures are successful by entrepreneurs.

From the analysis of hypotheses four, the finding showed a significant relationship between innovativeness and shareholder value. This finding is against the study conducted by Anlessimbya, et al. (2015).

Anlessimbya, et al. (2015) found that there is no significant relationship between innovativeness with firms' returns to shareholders in other words profitability. They compared their results with the studies conducted by other scholars (Matchaba-Hove & Vambe, 2014; Fatoki, 2014; Kraus et al. 2012), who indicated in their findings that there is a significant relationship.

On the other hand, encouraging entrepreneurs to engage in innovativeness will result in profitability to the shareholders as McTaggart et al. (1994) contend that for the fact that management puts resources into larger amounts of consumer loyalty that will empower shareholders to procure a satisfactory profit for their venture, there is no contention between amplifying shareholder value and augmenting consumer loyalty and satisfaction. Only in a situation where there is inadequate budgetary advantage to shareholders from their endeavors to build customer loyalty, the contention ought to be settled for the advantage of shareholders to abstain from reducing both the money related wellbeing and long run aggressiveness of the business (McTaggart et al., 1994).

### **Risk-Taking and Organizational Competiveness.**

The finding in hypothesis five is supported by the work of Nambugu, et al. (2015), Mucingi and Ngugi (2014). Nambugu, et al. (2015) found that risk-taking resulted in a very high level of relationship with firm performance (customer value, growth and profitability) they recommended that risk-taking should be held in a high esteem as its role as a strategic adherence is worthwhile in gaining competitive advantage.

Muthee-Mucingi and Ngugi (2014), asserted that when entrepreneurs take risk in the investment analysis and carefully plan the execution of such high risk-taking investment, if it succeeds, will result in high level of profit to the business operators. Hence, Couthand (2007), encouraged entrepreneurs to take-risks in investments which might lead to high and profitable business or entrepreneurial performance.

From the analysis of hypotheses six, the finding shows a significant relationship between risk-taking and shareholder value. This finding is supported by the work of Griffin, (2006), However, Kick and Prieto (2013) found that risk-taking often related to competitive advantage of firms that are not risk-taking oriented. This implies that in other circumstances, risk-taking might lead to profitability, this is in agreement as Griffin, (2006) noted. He argued that the behavior that denotes risk-taking is the extent to which a decision maker is willing to invest in business by not actually minding come what may. Such entrepreneurs are more likely to avoid mistakes, and they do not make decision all the time but most of their decisions do result in success than losses (Griffin, 2006).

Such entrepreneurs rely on intuitive approach to reach decision quickly, although they are very aggressive and often risk huge investment on the decisions made. Their level of risk-taking might result in huge profit and increase shareholder value, but the level of probability associated with the investment is very high which may lead to great losses or high profit (Soininen, 2013). Thus, the study claimed that there is significant relationship between pro-activeness and organizational competitiveness in hospitality sector in Port Harcourt.

### **Moderating influence of organizational culture on Eentrepreneurial Orientation and Organizational Competitiveness.**

The findings from hypothesis seven shows a strong moderate effect on the relationship, significant relationship between risk-taking and shareholder value. This finding is supported by the work of Ketter and Heskett (1992) and Yao, et al. (2009). Scholars have found that a highly aggressive competitive entrepreneur see the opportunities that is hidden to others based on their degree of cultural adoption and awareness and its values (Hitt, et al. 2003, Terrence, & Aklen, 1982).

The study by Ketter and Heskett (1992) on 207 firms within variety of industries found that a culture exists and has correlation with firms' performance especially in an economic aspect and in a long term measure. Yao, Wen & Ren (2009) found that among other variables that play key roles in entrepreneurial orientation of employee, organizational culture plays a significant role as it encourages the behavior that is consistent in the organization.



Other scholars (Quinn & Rohrbaugh, 1983; Barnye, 1986; Hitt, et al. 2003; Griffin. 2005) agree that culture assists entrepreneurs in engaging in innovation of products, service patterns and determines how the entrepreneurs feel and portray the image of the entrepreneurs in terms of their level of pro-activeness, innovativeness, and risk-taking propensity. Thus, the study found that organizational culture actually moderates the relationship between entrepreneurial orientation and organizational competitiveness

## 5.1 Conclusion

Based on the findings, the study concludes that:

- i.* Organizational competitiveness is very important for entrepreneurs to succeed in their operations and to gain organizational competitiveness within the hospitality sector.
- ii.* Firm that competes in the market may find even niche for its operation and survival.
- iii.* Hence, being entrepreneurial oriented will help firms become more competitive.
- iv.* Pro-activeness affects customer value and also affects shareholder value.
- v.* Innovativeness affects customer value and also affects shareholder value
- vi.* Risk-taking affects customer value and also affects shareholder value.

## 5.2 Recommendations

This study suggests that the following recommendations should be adhered to diligently:

- i.* To take pro-active steps to invest in opportunities
- ii.* Management should lead through R&D identifying new products and services
- iii.* Management should develop affinity for risk as competitive position depends on it.
- iv.* Risk-taking should be viewed to be necessary in returns on investment.
- v.* Management and employees and business owners should develop favorable culture in which competitiveness thrives.
- vi.* Management and business owners should see risk-taking from the positive side and have affinity for it as it is commiserate with returns on investments and leads to greater competitive advantage.

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