EFFECT STRATEGIC ORIENTATION ON THE PERFORMANCE OF SELECTED MANUFACTURING FIRM IN ENUGU STATE, NIGERIA.

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ABSTRACT

The study focuses on effect strategic orientation on the performance of selected manufacturing firm in Enugu State, Nigeria. The study sought to determine the extent at which market orientation affects customer satisfaction, ascertain the nature of the relationship between technological orientation and product quality, and identify the effect of entrepreneurship orientation on innovation and creativity. The study had a population size of 872, out of which a sample size of 274 was realised using Taro Yamane's formula at 5% error tolerance and 95% level of confidence. Instrument used for data collection was primarily questionnaire and interview. Out of 274 copies of the questionnaire that were distributed, 259 copies were returned while 14 were not returned. The descriptive survey research design was adopted for the study. The hypotheses were tested using Pearson product moment correlation coefficient and simple linear regression statistical tools. The findings indicate that Market orientation significantly affects customer satisfaction ($r = 0.698; F = 244.499; t= 8.520; p< 0.05$). There is a positive relationship between technological orientation and product quality ($r = .598, P<.05$). Entrepreneurship orientation has a significant effect on creativity and innovation ($r = 0.532; F= 101.193; t = 5.438; p< 0.05$). The study concluded that strategic orientation is the philosophy of enterprises which represents their attempts to reach higher performance and shows how a job may be performed with a set of values and beliefs. The study recommended that Firms should conducted market feasibility study in order to understand the needs of customer and ensure that they are satisfy at lower cost

KEYWORDS: Strategic orientation, Market orientation, Technological orientation, Entrepreneurship orientation and Performance

INTRODUCTION

Strategic orientation is a concept widely used in the research field of strategic management, entrepreneurship and marketing. A firm’s strategic orientation reflects the strategic
A firm’s strategic orientation reflects the strategic guidelines implemented by a firm to create the proper manners for the continuous superior performance of the business (Narver & Slater, 1990). A firm’s strategic orientation is defined as potential element for the management to acquire knowledge about new product development with determination to improve abilities of NPD teams to launch an efficient new product (Subin & Heiman, 2016). Strategic orientation is considered as a critical component for not only profitability but the ultimate survival of any firm is depending on how an organization tends to use its available resources strategically (Chin-Chun & Zailani, 2016). Strategic orientation serves as a strategic tool to achieve competitive advantage through designed orientations that are market orientation and technology orientation which directs an organization to achieve superior performance through designed techniques which serves as a core reasons to achieve strategic advantages which are rare, valuable and imitable firm’s resource. Building a proper linkage between the exploration of risky ideas and exploitation of old certainties serves as a medium to achieve competitive advantage over its direct and in direct competitors in the market (Hong & Yoo, 2013).

According to Zhou et al. (2005) strategic orientation is the company's strategic direction in creating the proper behaviour so as to achieve superior performance. Both market and innovation are the most strategic orientations for the company to achieve superior performance over a long term. Strategic orientations are ones consisting of four dimensions, namely market, learning, entrepreneurship and employee orientations.

Strategic orientation is related to the decisions that businesses make to achieve superior performance. Strategic orientation is an organization's direction for reaching a suitable behavior in order to attain superior performance. Competitor and customer orientations are the most important for organizations to achieve long term success (Yang et al, 2012; Al-
Mohammad, 2010). Strategic orientation involves the implementation of strategic trending that guides the activities of an organization to embedded behaviors that achieve permanence in optimal conditions for the business. Strategic orientation is therefore important in finding out the organization’s chances and abilities support environment and to secure competitive advantage for itself.

Gatignon and Xuereb (1997:78) postulate that strategic orientation as a firm’s strategic direction in creating proper behaviors so as to achieve superior performance”. Strategic orientation focuses on the way a firm adapts to and interacts with its external environments (Zhou and Li, 2010). Strategic Orientation has also been described as strategic fit, strategic predisposition, strategic thrust, and strategic choice (Manu and Sriram, 1996; cited by Morgan and Strong, 2003).

Strategic orientations of an organization comprises of several constructs such as market orientation, learning orientation and entrepreneurial orientation (Long, 2013). These orientations are the principles that influence and direct the activities of an organization and create such behaviors that ensure viability and performance (Gatignon and Xuereb, 1997), and are deployed to guide the activities of the organization towards achievement of competitive advantage and superior performance (Hakala, 2011).

**STATEMENT OF THE PROBLEM**

In the dynamic business environments of today, the traditional, hierarchical, top down management approaches have come to be thought ineffective. Technology, product and production orientations essentially approach the dilemma of adaptation from the internal angle and link closely with the resource-based view of the firm by suggesting that the performance is a result of the development of unique resource combinations that result in new technologies, products or processes that enable firms to gain a competitive edge over the competition.

**OBJECTIVES OF THE STUDY**

The main objective of the study focuses on effect of strategic orientation on performance of selected small and medium scale enterprise in Enugu state, Nigeria.

The specific objectives of this study include the following:

1. To determine the extent at which market orientation affect customer satisfaction.
ii. To ascertain the nature of the relationship between technological orientation and product quality

iii. To identify the effect of entrepreneurship orientation on innovation and creativity

**Research Questions**

The research questions of this study include the following:

i. To what extent does market orientation affect customer satisfaction?

ii. What is the nature of the relationship between technological orientation and product quality?

iii. What is the effect of entrepreneurship orientation on creativity and innovation?

**Research Hypotheses**

For the purpose of the study, the following hypotheses were formulated

i. Market orientation significantly affects customer satisfaction

ii. There is a positive relationship between technological orientation and product quality

iii. Entrepreneurship orientation has a significant effect on creativity and innovation

**CONCEPTUAL FRAMEWORK**

**Strategic orientations**

Strategic orientations are principles that direct and influence the activities of a firm and generate the behaviours intended to ensure the viability and performance of the firm (Gatignon and Xuereb 1997). A strategic orientation of a company reflects a strategic direction which is implemented by the company to create proper behavior for the continuously superior performance in business (Grawe, 2009). According to Zhou et al. (2005) strategic orientation is the company’s strategic direction in creating the proper behaviour so as to achieve superior performance.

**Market orientation**

A market orientation is a culture in which all employees are committed to the continuous creation of superior value for customers (Deshpande, Farley and Webster, 1993). A market orientation contains three major behavioral components: “customer orientation”— the
continuous understanding of the needs of both the current and potential target customers and the use of that knowledge for creating customer value; “competitor orientation”—the continuous understanding of the capabilities and strategies of the principal current and potential alternative satisfiers of the target customers and the use of such knowledge in creating superior customer value; and “inter functional coordination”—the coordination of all functions in the business in utilizing customer and other market information to create superior value for customers (Narver and Slater, 1990).

**Technology orientation**

Gatignon and Xuereb (1997) technology orientation reflects a firm’s philosophy of how to apply and develop new technologies or products to interact with the market, through actively developing and incorporating new technology in its products. Therefore, technology orientation guides the firm’s attempt to achieve a technological capability superior to that of their competitors (Hakala and Kohtamäki, 2011). Based on a technology orientation concept that reflects the philosophy of “technological push,” consumers prefer to choose and use products and services which are technologically superior (Zhou and Li, 2007).

**Entrepreneurship orientation**

Lumpkin and Dess’s (1996) version which refer to EO as processes, that is, the methods, practices, and decision making styles that lead to new entry. Entrepreneurially oriented firms are innovative, calculated risk-takers, and proactively reach markets ahead of their competitors. Yusof, Sandu and Jani (2007) refer to EO as “the set of psychological traits, values, attributes, and attitudes strongly associated with a motivation to engage in entrepreneurial activities.

**Organizational performance**

Burke and Litwin (1992) define the meaning of organizational performance as results, marks, or successful outputs which include productivity, profit, service quality and customer or employee satisfaction. Moreover, it included safety, considerable rewards and payment, value, good environment, and the balance of quality and work life in order to guarantee that employees had strong relationship with their organization. Therefore, the performance of the organization would increase (Beer and Walton, 1990).
Theoretical Review

Grounded in Barney's (1991) theory on the resource-based view (RBV) of a firm, researchers have defined strategic orientation as an attribute that influences the ability of a firm to focus on strategic direction of the firm and build or sustain the proper strategic fit for superior firm performance (Davidsson and Wiklund, 2000). Since strategic orientation will vary from one organization to the next; and vary based on contextual organizational variables, strategic orientation is viewed as a multidimensional construct (Venkatraman, 1989). Therefore organizations use resource allocation and environmental cues to determine the right plan for the company to achieve its goals (Göll&Sambharya, 1995). Based on strategic management literature, strategic orientation increases the likelihood of share goals, making it easier to implement effective processes and improve performance. Basically, RBV describes a firm in terms of the resources that firm integrates. Resources are insufficient for obtaining a sustained competitive advantage and a high performance as well (Teece, 2007; Newbert, 2007). Being so, firms must be able to transform resources in capabilities, and consequently in a positive performance. Firms reach a superior performance, not because only they have more or better resources, but also because of their distinctive competences (those activities that a particular firm does better than any competing firms) allow to do better use of them. In the dynamic perspective, capabilities approach is a theoretical stream inside the RBV. This theory considers that, on one hand, the firms are constantly creating new combinations of capabilities and, on the other hand; the market competitors are continually improving their competences or imitating the most qualified competences from other firms

Empirical Review

Hunik, Mugi and Tulus (2014) Conducted a study on the relationship between strategy orientation and marketing performance: The role of organizational change capability. Population of this research is owners or managers of SMEs in food sector in Solo Raya, Indonesia. The research uses sampling area method, and the number of sample is 250. The method applied in analyzing the data is the Structural Equation Modeling with Lisrel software. This research reveals the results: customer and competitor orientation have positive and significant influence on technical innovation and marketing performance.
orientation. Technical innovation orientation shows negative and insignificant effect on marketing performance. The organizational change capability moderates the influence of customer orientation on the orientation of technical innovation, but it does not moderate the influence of competitor orientation on the orientation of technical innovation.

Basimand Zaki(2016) conducted a study on strategic orientation and effects on organizational performance- Analytical study in real estate banks in Al–Dewaniya Province, to examine the strategic orientation of real estate banks in al-Dewaniya province in Iraq. The paper presents primary data collected by questionnaire. The collected data consists of: 80 forms were distributed; 70 questionnaires were returned out of which 53 were usable (valid and complete). The set was subjected to correlation and regression analysis. It was discovered that strategic orientation is positively related with the bank performance. It was revealed that competitive advantage represented mediating variable and it also influences performance. In order to be successful, the real estate banks considered the best combination between competitor orientation and customer orientation to reach the highest performance level among competitors.

Ibidunni and Falola (2009) conducted a study on impact of strategic orientation dimensions on new product development capability of firms in the agro-business industry. The study based on questionnaires administered to selected agro-based firms in Lagos and Ogun states (Nigeria) utilized descriptive statistics, Pearson’s correlation to analyze the data obtained for the study. Results of data analysis showed that there exist positive relationship between strategic orientation dimensions and new product development. However, aggressiveness, analysis and riskiness dimension were found not to have any effect on new product development. The study recommends that the adoption of appropriate strategic orientation by agro-based firms to enhance their intentions of developing new products can aid constant innovations and engagement in research and development that result in designing products that will satisfy customer needs.
Market orientation and performance

Albert and Nora (2003) did a study on Market orientation and business economic performance a mediated model. The present study attempts to provide a necessarily partial model for how this impact takes place using innovation degree, innovation performance and customer loyalty as intermediate variables. The study targets the insurance industry in the European Union. The sample accounted for 22 percent of the companies and 17 percent of the insurance premiums in this market. The results suggest that the addition of these variables improves predictions of objective economic performance 52 percent over what is explained by market orientation alone. Furthermore, the study found that the effects of market orientation on economic performance are completely channeled (mediated) through these variables, particularly through innovation degree and innovation performance. Based on the results the paper provide guidelines for improving the market share, premium growth and profitability of European Union insurance firms.

Ekaterina and Utz (2014) conducted a study on the impact of market orientation on business performance – the case of Tatarstan knowledge-intensive companies (Russia). This study validated Kohli and Jaworski’s market orientation scale in knowledge-intensive industries, particularly in small and medium knowledge-intensive companies in Russia. The findings show that the market orientation has a positive impact on financial and non-financial business performance in knowledge-intensive industries. It is important for hi-tech companies to improve their performance by implementing market orientated strategies, putting emphasis in conducting effective market research and be strong in customer and competitor orientation.

Entrepreneurial orientation and performance

Ali and Abdel (2014) conducted a study on entrepreneurial orientation and performance of women owned and managed micro and small Enterprises in Somalia. The main aim of this study is to examine the role of entrepreneurial orientation on performance of women owned and managed enterprises in Somalia. Specifically, the study investigates the effect of 1) innovation, 2) risk taking; and 3) Pro-activeness of entrepreneur orientation on business performance. By using purposive sampling, 200 women from women owned companies in
Somalia participated in the study. The findings indicate that innovation ($\beta = .362, t=4.697, p .05$)

Dzulkarnain, Abdullah and Shuymee (2014) conducted a study on entrepreneurial orientation (EO) and its influence on the performance of business firms have received widespread attention in the fields of entrepreneurship and strategy. A survey was conducted to assess the influence of five constructs of EO, including innovativeness, proactiveness, risktaking, autonomy and competitive aggressiveness toward the firm’s business performance to provide additional knowledge on this subject. Assessments took place at the company level involved 104 cooperatives firms in the Northern region of Peninsular Malaysia. Multiple regression analysis carried out revealed that only the innovativeness and proactiveness constructs had significant and positive relationship with the firm’s business performance. On the other hand, the constructs of risk-taking, autonomy and competitive aggressiveness do not show significant relationship with the firm’s business performance. These findings are useful for a better understanding of strategies of entrepreneurial orientation and its role in improving business performance in the cooperative sector.

**Technology Orientation and performance**

Urban and Heydenrych (2015) conducted a study on Technology Orientation And Effectuation – Links To Firm Performance In The Renewable Energy Sector Of South Africa. In this study, hypotheses are formulated to understand the relationship between effectuation, technology orientation, and firm performance. The study takes place in South Africa, which remains a highly significant economic player in sub-Saharan Africa, and is focused on the renewable energy sector. Survey results provide evidence that different dimensions of effectuation are positively associated with technology orientation, and influence firm performance. Policy makers should be encouraging firms to use effectual principles of experimentation, flexibility, establishing pre-commitments, and forming alliances, so as to maximize their returns on technology and constrain their potential losses.

Rizwan, Gao and Ramiz-ur-Rehman (2016) did a study on the Impact of Technology orientation and Customer orientation on Firm Performance: Evidence Form Chinese Firms. It examines how Technology Orientation (TO) and Customer Orientation (CO) with organizational characteristics e.g. firm size and culture collectively impact firm performance.
A sample of 158 Chinese firms were clustered on the basis of their mix of Technology Orientation (TO) and Customer Orientation (CO). The paper provides evidence that firms combining several strategic orientations such as (TO) and (CO) perform better. The second key finding is that organizational characteristics such as firm size and collectivism have a positive influence on firm performance while power distance and risk taking have a negative influence on firm performance. Implications of the findings are discussed.

METHODS AND MATERIALS

The study was carried out using survey research design method and interview of some of the staff of the selected manufacturing firms in Enugu metropolis. Secondary data were obtained through books, journals and internet. The validity of the questionnaire was done by giving the questionnaire to management experts who validated and made necessary correction. The reliability of the questionnaire is also affirmed as the Cronbach’s alpha for the variable was satisfying and the total Cronbach alpha was 0.702. The study has a population of 872 staff of Emenite Ltd. Emene, Enugu and ALO aluminum Emene Enugu state and sample of 274 was determined using Taro Yamane formula. 259 (95%) of the questionnaire distributed were returned while 15 (5%) of the questionnaire distributed were not returned. The questionnaire was designed in Likert scale format. Data collected were presented in frequency tables. Simple linear regression and Pearson product moment correlation coefficients statistical tool was used to test the hypotheses.

DATA ANALYSIS

The data obtained from the field were presented and analyzed with descriptive statistics to provide answers for the research questions while the corresponding hypotheses were tested with linear Regression and Pearson product moment correlation coefficients at 0.05 alpha level.

1 To what extent does market orientation affect customer satisfaction?
Table 1. Coded Responses on market orientation and customer satisfaction

<table>
<thead>
<tr>
<th>Questionnaire items</th>
<th>S.Agree/Agree</th>
<th>Disagree/S.Disagree</th>
<th>Undecided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you agree that;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organization that are committed to the continuous creation of superior value for</td>
<td>219</td>
<td>26</td>
<td>14</td>
</tr>
<tr>
<td>customers achieved customer satisfaction</td>
<td>85%</td>
<td>10%</td>
<td>5%</td>
</tr>
<tr>
<td>Customer satisfaction can be achieved by organization through provision goods and</td>
<td>234</td>
<td>12</td>
<td>13</td>
</tr>
<tr>
<td>services that are of high quality</td>
<td>90%</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>453</td>
<td>38</td>
<td>27</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2019

Table 1 shows that 453(88%) of the respondents indicated S.agree / agree, 38(7%) were indifferent while 27(5%) indicated disagree/ S.disagree. Based on responds from percentage analysis it was concluded that market orientation significantly affects customer satisfaction.

H1: Market orientation significantly affects customer satisfaction

Table 1a Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.698*</td>
<td>.488</td>
<td>.486</td>
<td>.52955</td>
<td>.163</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Market Orientation

b. Dependent Variable: Customer satisfaction

Table 1b ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>1</td>
<td>68.564</td>
<td>244.499</td>
<td>.000b</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>257</td>
<td>.280</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>258</td>
<td>140.633</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Customer satisfaction

b. Predictors: (Constant), Market Orientation
### Table 1c Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>.492</td>
<td>.058</td>
<td>8.520</td>
<td>.000</td>
</tr>
<tr>
<td>Market Orientation</td>
<td>.527</td>
<td>.034</td>
<td>.698</td>
<td>15.636</td>
</tr>
</tbody>
</table>

*a. Dependent Variable: Customer satisfaction*

\[ R = 0.698 \]
\[ R^2 = 0.488 \]
\[ F = 244.499 \]
\[ T = 8.520 \]
\[ DW = 0.164 \]

**Interpretation:**

The regression sum of squares (68.564) is less than the residual sum of squares (72.069), which indicates that more of the variation in the dependent variable is explained by the model. The significance value of the F statistics (0.000) is less than 0.05, which means that the variation explained by the model is not due to chance.

\( R \), the correlation coefficient which has a value of 0.689, indicates that there is positive relationship between market orientation and customer satisfaction. \( R \) square, the coefficient of determination, shows that 48.8% of the variation in customer satisfaction is explained by the model.

With the linear regression model, the error of estimate is low, with a value of about .52955. The Durbin Watson statistics of 0.164, which is not more than 2, indicates there is no autocorrelation.
The market orientation coefficient of 0.689 indicates a positive significance between market orientation and customer satisfaction, which is not statistically significant (with t = 8.520). Therefore, the null hypothesis should be rejected and the alternative hypothesis accordingly accepted.

**What is the nature of the relationship between technological orientation and product quality?**

Table 2. Coded Responses technological orientation and product quality?

<table>
<thead>
<tr>
<th>Questionnaire items</th>
<th>S.Agree/Agree</th>
<th>Disagree/S.Disagree</th>
<th>Undecided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you agree that;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product quality is a byproduct of technological orientation</td>
<td>247</td>
<td>95</td>
<td>4</td>
</tr>
<tr>
<td>Technological push,” consumers prefer to choose and use products and services which are technologically superior</td>
<td>239</td>
<td>92</td>
<td>8</td>
</tr>
<tr>
<td>TOTAL</td>
<td>486</td>
<td>12</td>
<td>20</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2019

Table 2 shows that 486(94%) of the respondents indicated S.agree / agree, 12(2%) were indifferent while 20(4%) indicated disagree/ S.disagree. Based on responds from percentage analysis it was concluded that there is a positive relationship between technological orientation and product quality

**H0: There is a positive relationship between technological orientation and product quality**

Table 2a Descriptive Statistics

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technological orientation</td>
<td>1.1081</td>
<td>.50183</td>
<td>259</td>
</tr>
<tr>
<td>Product quality</td>
<td>1.1853</td>
<td>.65623</td>
<td>259</td>
</tr>
</tbody>
</table>
### Table 2b Correlations

<table>
<thead>
<tr>
<th></th>
<th>Technological orientation</th>
<th>Product quality</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Technological orientation</strong></td>
<td>1</td>
<td>.598**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>259</td>
<td>259</td>
</tr>
<tr>
<td><strong>Product quality</strong></td>
<td>.598**</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>259</td>
<td>259</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

Table (2a) shows the descriptive statistics of the technological orientation and Product quality with a mean response of 1.1081 and std. deviation of .50183 for technological orientation and a mean response of 1.1853 and std. deviation of .65623 for Product quality and number of respondents (259). By careful observation of standard deviation values, there is not much difference in terms of the standard deviation scores. This implies that there is about the same variability of data points between the dependent and independent variables.

Table (2b) is the Pearson correlation coefficient for technological orientation and Product quality. The correlation coefficient shows 0.598. This value indicates that correlation is significant at 0.05 level (2tailed) and implies that there is a significant negative relationship between technological orientation and Product quality (r = .598). The computed correlations coefficient is greater than the table value of r = .195 with 257 degrees of freedom (df. = n-2) at alpha level for a two-tailed test (r = .598, p< .05). However, since the computed r = .598, is greater than the table value of .195 we reject the null hypothesis and concluded that there is a significant positive relationship between technological orientation and Product quality in selected manufacturing firm in Enugu State, Nigeria (r =.598, P<.05).
What is the effect of entrepreneurship orientation on creativity and innovation?

Table 3. Coded Responses on entrepreneurship orientation on creativity and innovation

<table>
<thead>
<tr>
<th>Questionnaire items</th>
<th>S.Agree/Agree</th>
<th>Disagree/S.Disagree</th>
<th>Undecided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you agree that;</td>
<td>Freq</td>
<td>%</td>
<td>Freq</td>
</tr>
<tr>
<td>Entrepreneurially oriented firms are innovative, calculated risk-takers, and proactively reach markets ahead of their competitors</td>
<td>246</td>
<td>45</td>
<td>6</td>
</tr>
<tr>
<td>Creativity and innovation of manufacturing organization can be achieved through proactive activities the entrepreneur</td>
<td>252</td>
<td>47</td>
<td>3</td>
</tr>
<tr>
<td>TOTAL</td>
<td>499</td>
<td>9</td>
<td>11</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2019

Table 3 shows that 525(96%) of the respondents indicated S.agree / agree, 9(2%) were indifferent while 11(2%) indicated disagree/ S.disagree . Based on respond from percentage analysis it was concluded that entrepreneurship orientation has a significant effect on creativity and innovation

H1: Entrepreneurship orientation has a significant effect on creativity and innovation

Table 3a Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.532*</td>
<td>.283</td>
<td>.280</td>
<td>1.17153</td>
<td>.151</td>
</tr>
</tbody>
</table>

* a. Predictors: (Constant), Entrepreneurship orientation

b. Dependent Variable: Creativity and innovation

Table 3b ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Regression</td>
<td>1</td>
<td>138.886</td>
<td>101.193</td>
<td>.000b</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>257</td>
<td>1.372</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>258</td>
<td>491.614</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* a. Dependent Variable: Creativity and innovation

b. Predictors: (Constant), Entrepreneurship orientation

Table 3c Coefficients

### Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>.760</td>
<td>.140</td>
<td>5.438</td>
</tr>
<tr>
<td></td>
<td>Entrepreneurship orientation</td>
<td>.556</td>
<td>.055</td>
<td>.532</td>
</tr>
</tbody>
</table>

*Dependent Variable: Creativity and innovation*

- **R** = 0.532
- **R²** = 0.283
- **F** = 101.193
- **T** = 5.438
- **DW** = 0.151

**Interpretation:**

The regression sum of squares (138.886) is less than the residual sum of squares (352.728), which indicates that more of the variation in the dependent variable is not explained by the model. The significance value of the F statistics (0.000) is less than 0.05, which means that the variation explained by the model is not due to chance.

R, the correlation coefficient which has a value of 0.532, indicates that there is a positive relationship between entrepreneurship orientation and creativity and innovation. R square, the coefficient of determination, shows that 28.3% of the variation in creativity and innovation is explained by the model.

With the linear regression model, the error of estimate is low, with a value of about 17153. The Durbin Watson statistics of 0.151, which is not more than 2, indicates there is no autocorrelation.

The entrepreneurship orientation coefficient of 0.864 indicates a positive significance between entrepreneurship orientation and creativity and innovation, which is not statistically significant (with **t** = 5.438). Therefore, the null hypothesis should be rejected and the alternative hypothesis accordingly accepted.
SUMMARY OF FINDINGS

The results of the study are summarized as follows

i. Market orientation significantly affects customer satisfaction \( r = 0.698; \ F = 244.499; \ t = 8.520; p< 0.05 \)

ii. There is a positive relationship between technological orientation and product quality \( r = 0.598, P<.05 \).

iii. Entrepreneurship orientation has a significant effect on creativity and innovation \( r = 0.532; \ F= 101.193; \ t = 5.438; p< 0.05) \)

CONCLUSION

The study concluded that strategic orientation is the philosophy of enterprises which represents their attempts to reach higher performance and shows how a job may be performed with a set of values and beliefs. The need for firms to behave strategically in a global competition environment in order to compete or to gain competitive advantage while trying to maintain it are important in realizing these firms’ level of sensibility. Strategic directions implemented by a firm to create the proper behaviors for the continuous superior performance of the business

RECOMMENDATIONS

Based on the findings, the following recommendations were made

i. Firms should conducted market feasibility study in order to understand the needs of customer and ensure that they are satisfy at lower cost

ii. Manufacturing firms should periodical review their technological equipment’s and upgrade in order to produce a quality product that will stand for the test of time

iii. All manufacturing firms should know that creativity and innovation is the key to success, and firms to have this there must be entrepreneurship orientation on ground.
REFERENCES


Ekaterina, P and Utz, D (2014) The impact of market orientation on business performance – the case of tatarstan knowledge-intensive companies (Russia), *Problems and Perspectives in Management, 12(4)8*


