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Entrepreneurial Orientation and the Performance of the Elite Companies (Ghana Club 100) in Ghana

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Abstract

Purpose: The academic literature has recently been inundated with theoretical and empirical interest in the issue of entrepreneurial orientation (EO). While significant strides have been made in understanding the general impact of EO on firm performance, there remains a notable gap in the literature concerning the specific application of EO in developing countries, especially Ghana.

Methodology: The study falls within the quantitative research paradigm which made use of primary data. To address the research problem, a survey research design was adopted in the study. A questionnaire was used to collect data in a cross-sectional field survey. The target population of the study was members of the Ghana Club 100. The study targeted CEO and managers of companies who are members of the Ghana Club 100. The researcher distributed survey questionnaires to 215 companies listed on the Ghana Club 100 since its inception. A total of 199 entrepreneurs from these companies responded to the hard copy surveys, achieving a 90.5% response rate, which was deemed suitable for the planned analysis.

Findings: The empirical evidence from the regression analysis strongly supports the positive and significant impact of all five EO dimensions innovativeness, risk-taking, proactiveness, autonomy, and competitive aggressiveness on business performance.

Unique Contribution to Theory, Practice, and Policy: The findings provide theoretical grounding for the EO-performance link across different contexts, especially in developing economies or sectors characterized by volatility and high competition. This broadens the generalizability of EO theory and calls for further research into sector-specific or cultural moderating variables that may influence this relationship. Governments and development institutions should invest in entrepreneurship education and training that fosters EO traits.

Keywords: *Innovativeness, Risk-Taking, Proactiveness, Autonomy, Competitive Aggressiveness, Business Performance*

1. Background of the Study

Entrepreneurial orientation (EO) is the most frequently utilised concept for evaluating firm entrepreneurship. As indicated by Meekaewkunchorn et al. (2021), EO is an essential element of firms' competitive advantage, growth, and general performance, as it fosters innovation, proactive decision-making, and risk-taking behaviour. In the face of escalating global uncertainty across numerous business sectors, firms increasingly depend on employees with entrepreneurial mindsets (Isichei et al., 2020). These employees play crucial roles in continuously reconfiguring organisational capabilities to ensure survival and foster growth. By leveraging the innovative, risk-taking, and proactive traits inherent in EO, companies are better equipped to navigate turbulent environments, adapt to changes, and capitalize on emerging opportunities (Mostafiz et al., 2024; Wales, Gupta, & Mousa, 2013). Furthermore, the dynamic capabilities theory underscores that firms with strong EO are more adept at sensing and seizing new opportunities while effectively managing risks and uncertainties (Zahra, Petricevic, & Luo, 2022).

The academic literature has recently been inundated with theoretical and empirical interest in the issue of entrepreneurial orientation (EO). According to Covin and Wales (2012), the EO construct has been the subject of a growing stream of literature that addresses the ability of firms to transform entrepreneurial opportunities into new or renewed growth trajectories. Entrepreneurial orientation (EO) has, therefore, become a cornerstone of modern entrepreneurship research due to its profound impact on firm performance (Kraus et al., 2023). Mostafiz et al. (2024) opined that EO play an essential role in improving firm adaptability and resilience in dynamic market environments, solidifying their relevance in contemporary business strategy. While significant strides have been made in understanding the general impact of EO on firm performance, there remains a notable gap in the literature concerning the specific application of EO in developing countries, especially Ghana (Dadzie, Agyapong, & Suglo, 2021). Thus, the objective of this study is to examine the effect of EO and its dimensions such as innovativeness, proactiveness, and risk-taking that drive competitive advantage and long-term success and organisational performance.

In Ghana, existing studies predominantly focus on small to medium-sized enterprises (SMEs), and have largely neglected large corporations, such as the elite companies. In Ghana, elite companies, such as those listed in the Ghana Club 100, are essential as they serve as benchmarks of excellence and innovation within the business community, setting high standards for performance and operational efficiency (Amankwah-Amoah, Danso, & Adomako, 2019). The Ghana Club 100 is an annual official list that recognizes the top 100 companies in Ghana. Its purpose is to encourage competition and the improvement of products and services within the country. This ranking represents a unique subset of top-performing firms that exhibit distinctive characteristics and face unique challenges. Despite their success, elite companies in Ghana face unique challenges that necessitate continuous innovation, proactive market engagement, and strategic risk-taking. The Ghana Club 100 companies might have different strategic approaches, resource allocations, and market dynamics that affect the EO-performance relationship. Investigating this gap could provide

valuable insights into whether the established dimensions of EO (such as, innovativeness, proactiveness, and risk-taking), hold the same relevance and effectiveness in the Ghanaian specific context.

2.1 Literature Review

2.1.1 Entrepreneurial Orientation Theory

Entrepreneurial Orientation (EO) Theory has emerged as a dominant theoretical framework explaining how strategic postures characterized by innovativeness, proactiveness, and risk-taking contribute to superior business performance. Originating from the work of Miller (1983), EO captures the strategic orientation of firms that are willing to innovate, take calculated risks, and act proactively in exploiting market opportunities. Covin and Slevin (1989) expanded this conceptualization, asserting that EO is not only a behavioral construct but also a managerial philosophy that drives competitive advantage and organizational success. Empirical studies consistently support the positive relationship between EO and firm performance across different contexts, industries, and firm sizes. For instance, Rauch et al. (2009), in their meta-analysis, found a significant and positive correlation between EO and business performance metrics such as profitability, growth, and market share. This relationship is often mediated or moderated by factors like environmental dynamism, organizational learning, and resource availability. EO enables firms to rapidly respond to market changes, create innovative products and services, and proactively position themselves ahead of competitors (Wiklund & Shepherd, 2005).

From a theoretical standpoint, EO enhances a firm's strategic flexibility and learning capabilities, enabling them to align internal competencies with external opportunities (Lumpkin & Dess, 1996). This alignment is crucial in today's volatile and competitive markets, where entrepreneurial firms are better equipped to navigate uncertainties and seize first-mover advantages. Additionally, EO facilitates knowledge absorption, experimentation, and resource reconfiguration, which are vital for sustaining superior performance (Zahra & Covin, 1995). Entrepreneurial Orientation Theory offers a robust explanation for why firms that exhibit high levels of innovativeness, proactiveness, and risk-taking tend to achieve better business outcomes. The theoretical and empirical evidence underscores EO as a strategic resource that propels organizational performance and long-term viability in dynamic environments.

2.1.2 Dimensions of Entrepreneurial Orientation

In recent times, EO remains a central theory in entrepreneurship research, with numerous studies exploring its impact on firm performance, innovation, and competitiveness in various sectors and across different economies. EO is typically viewed as a multi-dimensional construct that includes the following key dimensions:

2.1.2.1 Innovativeness

Innovativeness refers to a firm's willingness to engage in and support new ideas, novelty, experimentation, and creative processes that may lead to new products, services, or technologies

(Yen, Teng, & Tzeng, 2020; Chiu & Lin, 2022). Firms that emphasize innovation are better equipped to differentiate themselves in the marketplace (Agu et al., 2024). Innovation can lead to product and service differentiation, helping a firm gain a competitive advantage and improve its performance. Innovativeness supports a firm's ability to adapt to changing market conditions and technological advancements.

2.1.2.2 Risk-taking

Risk-taking is the willingness of a firm to commit significant resources to projects with uncertain outcomes, and it involves making decisions that may involve high risks for potentially high rewards (Guo & Jiang, 2020). Risk-taking behaviour allows firms to enter new markets, pursue bold strategies, and exploit opportunities that competitors may avoid. Although risky, it often leads to substantial returns in terms of market share or profitability. However, excessive risk-taking without proper management can also lead to failure, making the balance between risk and reward crucial (Giaccone & Magnusson, 2022). Firms that venture into new, untested markets or invest in high-risk ventures, such as launching a new product line in a volatile market, display high risk-taking behaviour.

2.1.2.3 Proactiveness

Proactiveness refers to a firm's ability to anticipate and act on future opportunities, rather than merely reacting to current or past events (Jia et al., 2020). Proactive firms are forward-looking and take the initiative in introducing new products, services, or innovations to the market. Proactive firms gain a competitive edge by being first movers or early adopters, allowing them to capture market share before competitors (Marcazzan, Campagnolo, & Gianecchini, 2022). Proactivity supports long-term growth as it helps firms stay ahead of market trends and consumer demands. A company that anticipates a shift in consumer preferences and introduces products that align with future trends before its competitors are a good example of a proactive firm.

2.1.2.4 Autonomy

Autonomy refers to the independent action of employees or teams within the firm to identify opportunities and take initiatives without needing approval from higher management (Burcharth, Knudsen & Søndergaard, 2017). High levels of autonomy can encourage creativity, foster innovation, and empower employees to make decisions that can lead to increased organizational performance. Autonomy often leads to faster decision-making and a more agile organizational structure. A firm that allows its managers or teams to take independent decisions on new business ventures or projects without excessive corporate oversight demonstrates autonomy (Chen et al., 2015).

2.1.2.5 Competitive Aggression

Competitive aggressiveness is a firm's ability to challenge competitors directly, often in an intense and forceful manner, to achieve market leadership or superior performance. Competitive aggressiveness helps firms to outperform their rivals by taking bold actions to assert dominance,

whether through pricing strategies, aggressive marketing, or strategic moves in the marketplace. However, it can also provoke competition and backlash if not carefully managed. A company that aggressively enters a competitor's market or launches a price war in a saturated industry demonstrates competitive aggressiveness.

2.1.3 The Relationship Between the Dimensions

The various dimensions of EO are interrelated and collectively influence a firm's overall entrepreneurial orientation. Innovativeness and Risk-taking often go hand in hand, as firms pursuing innovation are generally willing to take calculated risks to introduce new products and services (Yen, Teng, & Tzeng, 2020; Chiu & Lin, 2022). Proactiveness complements both innovations and risk-taking. A proactive firm anticipates market trends and positions itself to exploit opportunities, often engaging in innovative efforts and taking risks before competitors react (Marcazzan, Campagnolo, & Gianecchini, 2022). Autonomy and Competitive Aggressiveness support the other dimensions by providing the flexibility and agility needed to implement innovative and proactive strategies quickly and efficiently. Autonomous decision-making supports proactive behaviour, while aggressive competition drives innovation and risk-taking in the pursuit of market leadership (Chen et al., 2015). Entrepreneurial Orientation (EO) refers to the strategic orientation of a firm that encapsulates its entrepreneurial decision-making styles, practices, and behaviors. EO is widely acknowledged as a crucial determinant of business performance, particularly in dynamic and competitive environments. Rooted in the works of Miller (1983) and expanded by Lumpkin and Dess (1996), EO comprises five core dimensions: innovativeness, risk-taking, proactiveness, autonomy, and competitive aggressiveness. These dimensions collectively shape a firm's ability to identify and exploit opportunities, thereby enhancing business performance.

Innovativeness reflects a firm's tendency to support creativity, experimentation, and novel ideas that can result in new products, services, or technological processes. Innovativeness facilitates differentiation and allows firms to respond flexibly to changing customer needs and market trends (Wiklund & Shepherd, 2005). Empirical studies have shown that innovative firms are better positioned to create value and gain a competitive edge, which positively impacts performance (Rauch et al., 2009).

Hypothesis 1: Innovativeness is positively related to business performance.

Risk-taking denotes the willingness of a firm to engage in ventures with uncertain outcomes, including entering new markets or investing heavily in untested technologies. Risk-taking behavior allows firms to pursue high-reward opportunities that conservative firms may avoid (Miller, 1983). When managed effectively, calculated risk-taking can lead to superior performance by capturing untapped markets and fostering rapid growth (Zahra & Covin, 1995).

Hypothesis 2: Risk-taking is positively related to business performance.

Proactiveness is the firm's forward-looking perspective and initiative to anticipate and act on future needs or market changes before competitors. Proactive firms lead rather than follow market trends, often reaping first-mover advantages that lead to improved performance outcomes (Lumpkin & Dess, 1996). Proactiveness encourages strategic responsiveness and pre-emptive actions that mitigate risks and optimize resource use.

Hypothesis 3: Proactiveness is positively related to business performance.

Autonomy represents the extent to which individuals or teams within an organization are free to develop and execute ideas without constraints. Autonomy fosters a sense of ownership and motivation among employees, which can drive innovation and entrepreneurial behavior (Lumpkin & Dess, 2001). High autonomy often translates into greater agility and responsiveness in decision-making, leading to better business outcomes.

Hypothesis 4: Autonomy is positively related to business performance.

Competitive Aggressiveness involves a firm's propensity to challenge rivals directly and outperform them through aggressive marketing strategies, pricing tactics, and bold moves. This dimension emphasizes a combative posture in highly competitive environments, where assertive actions can help a firm seize market share and improve profitability (Lumpkin & Dess, 1996). Firms exhibiting strong competitive aggressiveness often report improved performance due to assertive positioning and resource utilization.

Hypothesis 5: Competitive aggressiveness is positively related to business performance.

In conclusion, each dimension of EO—innovativeness, risk-taking, proactiveness, autonomy, and competitive aggressiveness—individually and collectively contributes to enhancing business performance. Understanding the unique impact of each EO component enables firms to design strategic interventions that foster entrepreneurship and achieve sustainable growth.

2.2 Entrepreneurial Orientation

Entrepreneurial Orientation (EO) is a strategic posture that captures a firm's inclination toward innovation, proactiveness, and risk-taking in pursuing new market opportunities and enhancing competitiveness (Miller, 1983; Covin & Slevin, 1989). EO reflects how firms behave entrepreneurially in response to dynamic environments, characterized by uncertainty and competition. Lumpkin and Dess (1996) expanded the EO construct by introducing two additional dimensions—autonomy and competitive aggressiveness—thereby enriching its conceptual robustness. EO has been widely linked to positive business outcomes, including improved profitability, market share, and firm growth (Wiklund & Shepherd, 2005). Firms with a strong EO are better positioned to identify and exploit emerging opportunities, adapt to changes, and innovate continuously, which collectively lead to superior performance (Rauch et al., 2009). As a multidimensional construct, EO not only shapes strategic decision-making but also fosters a culture that embraces entrepreneurial behavior at all levels of the organization.

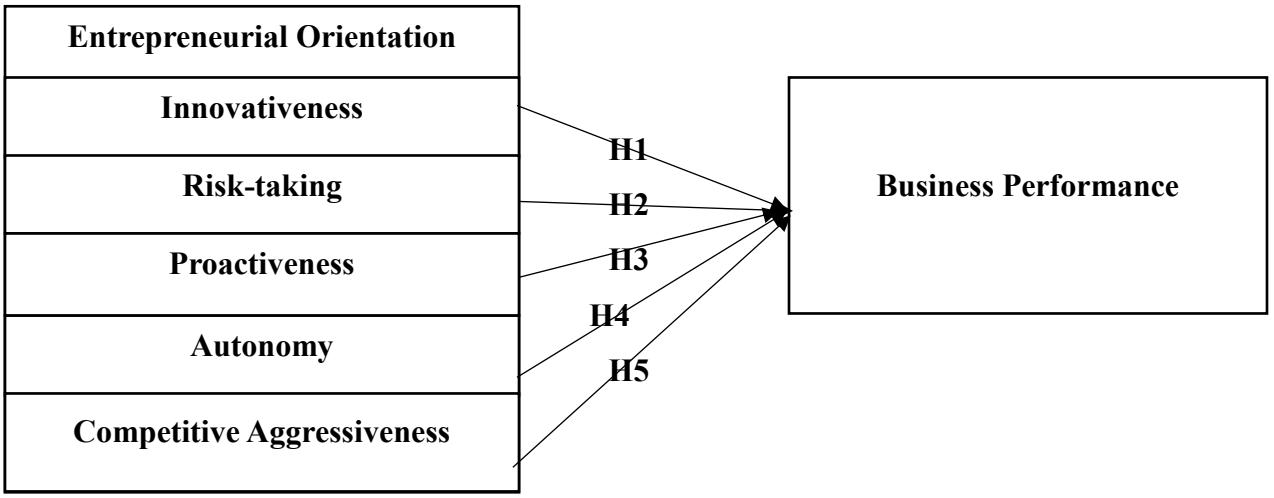
2.2.1 Business Performance

Business performance refers to the effectiveness and efficiency with which an organization achieves its objectives, encompassing both financial and non-financial indicators. It is a multidimensional construct often evaluated through metrics such as profitability, sales growth, market share, return on assets, customer satisfaction, and operational efficiency (Venkatraman & Ramanujam, 1986). In entrepreneurial and strategic management research, business performance serves as a key outcome variable used to assess the success of organizational strategies, including entrepreneurial orientation, innovation, and resource deployment (Wiklund & Shepherd, 2005). According to Richard et al. (2009), business performance can be classified into three categories: accounting-based performance (e.g., ROI, ROA), market-based performance (e.g., stock returns, market share), and operational performance (e.g., quality, productivity). The integration of both subjective and objective measures provides a comprehensive evaluation of firm success and competitiveness, particularly in dynamic business environments where agility and responsiveness are crucial for long-term sustainability (Kaplan & Norton, 1996).

2.3 Empirical Literature

Isichei et al. (2020) examined the mediating effect of structural infrastructure capability on the relationship between entrepreneurial orientation (EO) and SMEs' performance in Nigeria. Using a survey of 377 SMEs across Nigeria's six geopolitical zones, the findings reveal that innovativeness and proactiveness positively impact performance, while risk-taking does not, and structural infrastructure capability mediates the EO-performance relationship. Shan, Song, and Ju (2016) investigate how innovation speed mediates the relationship between entrepreneurial orientation and performance. Data from 153 new ventures were analysed, revealing that faster innovation leads to better performance. Contrary to traditional views, innovativeness enhances, while risk-taking diminishes, innovation speed, whilst proactiveness shows an inverted U-shaped effect on innovation speed. Fellnhofer, Puumalainen, and Sjögrén (2016) explores gender differences in perceptions of entrepreneurial orientation (EO) and its impact on performance at both individual and firm levels. Using multiple linear regression on data from 301 employees across various industries, significant gender-based differences emerged. While EO positively influences performance for both genders, females perceive their EO as lower than males but report higher individual work performance. Perceptions of firm-level EO vary by gender, though performance evaluations are similar.

Figure 1: Conceptual framework



3.1 Methodology

The study falls within the quantitative research paradigm which made use of primary data. To address the research problem, a survey research design was adopted in the study. A questionnaire was used to collect data in a cross-sectional field survey. The target population of the study was members of the Ghana Club 100. The study targeted CEO and managers of companies who are members of the Ghana Club 100. The researcher distributed survey questionnaires to 215 companies listed on the Ghana Club 100 since its inception. A total of 199 entrepreneurs from these companies responded to the hard copy surveys, achieving a 90.5% response rate, which was deemed suitable for the planned analysis. The sampling frame comprised companies that were part of the Ghana Club 100 from 2013 to 2023. The researcher specifically included firms that appeared on the Ghana Club 100 list at least three times during this period, ensuring a robust and representative sample of consistently high-performing companies within the Ghanaian business landscape. This approach strengthened the study's validity by focusing on the most successful and enduring firms in Ghana.

4. Results

4.1 Reliability and Validity

Reliability and validity are fundamental concepts in research methodology that ensure the accuracy and trustworthiness of measurement instruments. Reliability refers to the consistency or repeatability of a measure—whether the same results can be obtained under consistent conditions (Hair et al., 2010). Common indicators of reliability include Cronbach's alpha, composite reliability, and test-retest reliability. A high reliability coefficient (usually above 0.70) suggests that the items within a scale are internally consistent (Nunnally & Bernstein, 1994). Validity, on the other hand, refers to the extent to which an instrument measures what it is intended to measure

(Bagozzi & Yi, 1988). Validity is typically assessed through content validity, construct validity (including convergent and discriminant validity), and criterion-related validity. Establishing both reliability and validity is critical to ensuring that research findings are credible and generalizable. Without these, the interpretation and application of data may be flawed, leading to incorrect conclusions and decisions.

Table 1. Reliability and Validity Results

Construct	**Cronbach's Alpha**	**Composite Reliability**	**Convergent Validity**	**Discriminant Validity**
Innovativeness	.875	0.920	0.658	0.811
Risk-taking	.880	0.925	0.714	0.845
Proactiveness	.907	0.918	0.652	0.807
Autonomy	.931	0.920	0.658	0.811
Competitive Aggressiveness	.933	0.921	0.662	0.814
Business Performance	.919	0.953	0.695	0.834

Table 1 presents the reliability and validity metrics for each construct used in the study, namely Innovativeness, Risk-taking, Proactiveness, Autonomy, Competitive Aggressiveness, and Business Performance. These constructs are evaluated based on Cronbach's Alpha, Composite Reliability (CR), Convergent Validity (AVE), and Discriminant Validity (√AVE) which are standard psychometric properties in structural equation modeling (Hair et al., 2019). All constructs recorded Cronbach's Alpha values above the commonly accepted threshold of 0.70 (Nunnally & Bernstein, 1994), indicating strong internal consistency. Specifically, values range from 0.875 (Innovativeness) to 0.933 (Competitive Aggressiveness). This reliability is further supported by Composite Reliability (CR) values, all exceeding 0.90, surpassing the minimum threshold of 0.70 suggested by Fornell and Larcker (1981). For instance, Business Performance demonstrated the highest CR at 0.953, confirming high internal consistency and minimal measurement error.

Convergent validity was assessed using the Average Variance Extracted (AVE). All constructs reported AVE values above the 0.50 benchmark, signifying that a substantial proportion of variance is explained by the indicators (Hair et al., 2017). Risk-taking recorded the highest AVE (0.714), indicating strong convergence among its indicators, while Proactiveness had the lowest (0.652), yet still within acceptable limits. Discriminant validity was confirmed using the square root of AVE (√AVE) approach. The √AVE values for each construct exceeded the inter-construct correlation thresholds, implying adequate discriminant validity (Fornell & Larcker, 1981). For example, Autonomy and Innovativeness both yielded √AVE values of 0.811, suggesting that each construct shares more variance with its indicators than with other constructs. The results in Table 1 provide strong evidence of the psychometric adequacy of the measurement model. The constructs demonstrate high reliability, satisfactory convergent validity, and clear discriminant validity, making them suitable for use in the structural model analysis.

Table 2. Items Factor Loadings

Innovativeness	Risk-taking	Proactiveness	Autonomy	Competitive Aggressiveness	Business Performance
.866	.936	.825	.796	.767	.836
.746	.904	.770	.729	.770	.843
.749	.783	.714	.791	.757	.860
.752	.743	.825	.887	.871	.754
.782	.845	.833	.809	.855	.744
.952		.867	.844	.852	.805
					.913
					.880
					.851

Table 2 presents the standardized factor loadings for the measurement items used to represent six latent constructs: Innovativeness, Risk-taking, Proactiveness, Autonomy, Competitive Aggressiveness, and Business Performance. Factor loadings are critical indicators of indicator reliability, reflecting how well each observed item explains its underlying latent construct (Hair et al., 2019). Generally, a factor loading above 0.70 is considered acceptable, as it indicates that at least 50% of the variance in the observed variable is explained by the latent construct (Hair et al., 2017). In Table 2, all items for the six constructs exceed or approximate this threshold, confirming acceptable indicator reliability. Innovativeness items ranged from 0.746 to 0.952, with particularly strong loadings for the sixth item (0.952), reflecting a strong contribution to the construct. Risk-taking showed high and consistent loadings between 0.783 and 0.936, underscoring robust measurement of this construct.

Proactiveness displayed slightly more variability, with loadings between 0.714 and 0.867, but all above the acceptable limit, supporting construct validity. Autonomy also showed strong loadings (0.729 to 0.887), indicating clear alignment between indicators and the construct. Competitive Aggressiveness had factor loadings between 0.757 and 0.871, confirming that each item contributes well to the measurement of the construct. Business Performance included the largest number of items (nine), with factor loadings from 0.744 to 0.913, indicating both breadth and strength in measurement. The consistently high factor loadings across all constructs confirm the convergent validity of the model, meaning that the items correlate strongly with their respective latent variables. These results support the use of these constructs in subsequent structural model testing, ensuring that the measurement instruments accurately capture the theoretical dimensions they intend to measure.

Table 3. Multiple Regression Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.809[a]	.654	.645	.7647

ANOVA[a]

	Sum of Squares	df	Mean Square	F	Sig.
Regression	207.856	5	41.571	71.099	.000[b]
Residual	109.923	188	.585		

Coefficients[a]

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
IN	.338	.078	.357	4.350	.000
RT	.194	.073	.190	2.673	.008
PR	.312	.076	.290	4.097	.000
AT	.379	.079	.321	4.776	.000
CA	.315	.077	.310	4.122	.000

a. Dependent Variable: BP=Business Performance

b. Predictors: (Constant), IN= Innovativeness, RT= Risk-taking, PR= Proactiveness, AT= Autonomy, CA= Competitive Aggressiveness

Table 3 presents the results of a multiple regression analysis conducted to assess the influence of Entrepreneurial Orientation (EO) dimensions namely Innovativeness (IN), Risk-taking (RT), Proactiveness (PR), Autonomy (AT), and Competitive Aggressiveness (CA) on Business Performance (BP). The regression model exhibits a strong explanatory power, with a multiple correlation coefficient (R) of .809, indicating a high level of association between the independent variables and the dependent variable. The R Square value of .654 implies that approximately 65.4% of the variance in business performance is explained by the five EO dimensions. The Adjusted R Square (.645), which adjusts for the number of predictors in the model, confirms the robustness of the model with minimal inflation due to sample size or number of predictors. Furthermore, the standard error of the estimate (0.7647) suggests a reasonable level of prediction accuracy.

The ANOVA results indicate that the overall regression model is statistically significant ($F = 71.099$, $p < .001$), validating the joint predictive power of the EO variables on business performance. This confirms that the model provides a significantly better fit to the data than a model with no predictors (Hair et al., 2019). The regression coefficients indicate that all five EO dimensions have a positive and statistically significant impact on business performance: Innovativeness (IN) has a standardized beta coefficient of .357 ($p = .000$), indicating a strong and significant positive relationship. This suggests that firms engaging in novel product development and creative processes tend to achieve higher performance. Risk-taking (RT) shows a moderate but significant effect ($\beta = .190$, $p = .008$), implying that calculated risk ventures contribute to

enhanced business outcomes. Proactiveness (PR) contributes significantly (β = .290, p = .000), showing that forward-looking and opportunity-seeking behavior enhances firm performance. Autonomy (AT) exhibits the strongest standardized effect (β = .321, p = .000), emphasizing the value of individual and team independence in driving performance. Competitive Aggressiveness (CA) also has a significant positive effect (β = .310, p = .000), indicating that assertive strategies toward market rivals can yield competitive advantages and improved results. The regression results provide empirical support for the theoretical proposition that entrepreneurial orientation dimensions significantly enhance business performance.

Table 4. Hypothesis Testing Summary

Relationship	Hypothesis	Beta Value	T Value	P Value	Remarks
H1	IN - -> BP	.357	4.350	.000	Supported
H2	RT - -> BP	.190	2.673	.008	Supported
H3	PR - -> BP	.290	4.097	.000	Supported
H4	AT - -> BP	.321	4.776	.000	Supported
H5	CA - ->BP	.310	4.122	.000	Supported

4.2 Discussion of Results

Entrepreneurial Orientation (EO) has long been established as a critical antecedent to business performance, especially in dynamic, competitive, and resource-constrained environments. EO refers to the strategic posture of a firm characterized by innovativeness, risk-taking, proactiveness, autonomy, and competitive aggressiveness (Lumpkin & Dess, 1996). The empirical results from the regression analysis in Table 4 support the theoretical prediction that each dimension of EO significantly and positively contributes to Business Performance (BP), validating the strategic value of entrepreneurial behaviors across organizational settings. Innovativeness refers to a firm's inclination toward creativity, experimentation, and technological leadership (Miller, 1983). In the regression results, innovativeness demonstrates a strong and statistically significant relationship with business performance. This finding aligns with extant literature suggesting that firms engaging in continuous innovation are more likely to develop new products, improve processes, and respond effectively to changing market demands (Baker & Sinkula, 2009). Innovativeness fuels differentiation strategies, thereby enhancing customer satisfaction and long-term profitability (Hughes & Morgan, 2007). Hence, fostering an innovation-friendly culture can be a catalyst for sustaining competitive advantage and achieving superior performance outcomes.

Risk-taking captures a firm's willingness to commit resources to ventures with uncertain outcomes (Covin & Slevin, 1989). The regression results show that risk-taking has a significant and positive influence on business performance, although with a relatively lower effect size than other EO dimensions. This outcome supports the notion that calculated risk-taking, especially in the context of new market entries or untested innovations, can yield high returns (Boso et al., 2013). However, the moderate effect size also suggests the need for strategic moderation, where risk-taking is tempered with effective risk management to avoid adverse performance implications.

Proactiveness denotes a firm's forward-looking perspective, characterized by the anticipation of future needs and acting ahead of competitors (Lumpkin & Dess, 2001). In this study, proactiveness shows a significant positive effect on business performance. This finding is consistent with prior empirical evidence that proactive firms tend to seize market opportunities earlier, respond quickly to environmental shifts, and establish strong brand positions (Rauch et al., 2009). Being proactive not only enhances responsiveness but also facilitates first-mover advantages, contributing to sustained profitability and growth. Autonomy refers to the ability of individuals or teams within the organization to take independent initiative in the pursuit of innovative ideas and projects (Lumpkin et al., 2009). The regression analysis indicates that autonomy has a significant positive relationship with business performance. This supports earlier findings that empowerment and decentralized decision-making encourage innovation and responsiveness (Fay et al., 2011). Organizations that foster autonomy are more likely to benefit from intrapreneurial activities, which drive new product development and process improvement, ultimately enhancing performance.

Competitive aggressiveness entails a firm's intensity in outperforming rivals and its reactive posture to threats in the market (Lumpkin & Dess, 1996). The findings reveal a strong and positive relationship between competitive aggressiveness and business performance. This is in line with previous studies that suggest aggressive competitive tactics such as price cuts, rapid product launches, and assertive marketing can lead to increased market share and profitability, particularly in volatile industries (Hughes & Morgan, 2007; Boso et al., 2013). However, this dimension must be balanced with ethical practices and long-term strategic goals to ensure sustainable performance. Taken together, the results reinforce the multidimensional value of EO in enhancing business performance. Each EO dimension uniquely contributes to performance, indicating that a holistic entrepreneurial posture is essential for firms aiming to thrive in dynamic markets. The findings affirm the theoretical propositions of Lumpkin and Dess (1996), who argue that EO dimensions can vary independently in their influence on performance, depending on the internal and external context of the firm.

5. Theoretical and Policy Implications

The results contribute to the robustness of EO theory by empirically validating the multidimensionality of EO in predicting firm success. Each dimension independently shows a statistically significant contribution to performance, suggesting that EO is not merely a unidimensional construct, but a composite set of strategic behaviors that collectively enhance business outcomes. The findings provide theoretical grounding for the EO-performance link across different contexts, especially in developing economies or sectors characterized by volatility and high competition. This broadens the generalizability of EO theory and calls for further research into sector-specific or cultural moderating variables that may influence this relationship. The study also suggests a need for theoretical models that capture the interactive effects or synergies among EO dimensions, rather than treating them in isolation. For instance, the combined effect of

proactiveness and autonomy may be greater than the sum of their individual effects, indicating a potential for higher-order interaction models in future theory development.

Governments and development institutions should invest in entrepreneurship education and training that fosters EO traits. Programs that enhance risk management, opportunity recognition, innovation skills, and independent decision-making among entrepreneurs can build a more resilient and competitive private sector. Policymakers must develop enabling environments where autonomy and innovation can flourish. This includes simplifying business regulations, protecting intellectual property rights, reducing bureaucratic red tape, and offering legal frameworks that support experimentation and failure recovery. Through tax incentives, grants, and subsidized funding, governments can reduce the financial burden associated with innovative ventures and calculated risk-taking. Targeted funding for R&D and startup acceleration can encourage firms to pursue bolder strategies aligned with EO principles. Public policies should aim to stimulate healthy competition and proactive market behavior. Initiatives such as trade liberalization, access to global markets, and digital infrastructure improvements can drive firms to adopt more aggressive and anticipatory strategic postures.

5.1 Conclusion

The empirical evidence from the regression analysis strongly supports the positive and significant impact of all five EO dimensions innovativeness, risk-taking, proactiveness, autonomy, and competitive aggressiveness on business performance. These findings highlight the strategic importance of fostering entrepreneurial behaviors at both organizational and individual levels to enhance competitiveness, adaptability, and profitability. Organizations, particularly those in dynamic and uncertain markets, should therefore embed EO into their core strategic frameworks to optimize performance outcomes. In conclusion, this study shows that Entrepreneurial Orientation (EO) is a crucial driver of business performance across financial, market, and customer metrics. The positive and significant relationships established between EO and these performance indicators highlight the importance of fostering entrepreneurial behaviours such as innovativeness, risk-taking, proactiveness, autonomy, and competitive aggressiveness. Elite companies in Ghana, with higher levels of EO, are shown to outperform their peers in these key areas. The robustness of the findings is further supported by strong statistical results, including path analysis and model fit indices, ensuring the reliability and validity of the conclusions.

5.2 Recommendations

Based on the findings, it is crucial for organizations to prioritize the development of Entrepreneurial Orientation (EO) by fostering a culture of innovation, risk-taking, and proactivity. Managers should prioritize continuous investment in research and development, creative problem-solving, and product or service innovation. The strong positive effect of innovativeness suggests that cultivating a culture of experimentation and knowledge sharing can directly boost firm performance. Autonomy enhances job satisfaction, creativity, and organizational agility, all of which contribute to superior performance. Given the positive effect of competitive aggressiveness,

managers should not shy away from bold, strategic actions to outperform rivals. While EO has universal benefits, the degree and combination of EO dimensions should be context-specific.

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