

# **Entrepreneurial Orientation, Access to Finance and Business Performance: A Preliminary Analysis**

**Syamsuriana Sidek, Mohd Rosli Mohamad & Wan Mohd Nazdrol Wan Mohd Nasir**

Faculty of Entrepreneurship and Business  
Universiti Malaysia Kelantan, 16100 Kota Bharu, Kelantan, Malaysia

DOI: 10.6007/IJARBSS/v6-i11/2452 URL: <http://dx.doi.org/10.6007/IJARBSS/v6-i11/2452>

## **ABSTRACT**

Small and Medium Enterprises (SMEs) can be a cushion for unstable economic condition. They are believed to be able strengthen the economic development of a country. The statistics shows that they are accounted for more than 95 per cent of enterprises across the world. Acknowledging the importance of various contributions of SMEs business performance to an economy, many studies on internal and external factors affecting business performance including entrepreneurial orientation and access to finance has been done. Business performance, however, requires more than resources. To cope with these situations, they must have enough financial access in order to finance their business development. Despite its increasing importance to the economy and individual entrepreneurs, SMEs struggle hard to access to finance. Unfortunately, there is limited study to prove that entrepreneurial orientation would increase access to finance and ultimately increase performance. Therefore, the purpose of this study is to test the relationship of entrepreneurial orientation and access to finance on SMEs performance and unearth whether access to finance can be a mediator in the relationship between entrepreneurial orientation and business performance. For start-up, this study employed a primary data set drawn from 30 SMEs and using regression analysis to test all hypotheses. By testing the mediator effect, this study advances the previous works on this area which considers this effect on business performance simultaneously. The main findings indicate that entrepreneurial orientation and access to finance are positively significant on business performance and entrepreneurial orientation would help business to get access to capital and hence its performance could be improved. Since this study is preliminary stage, the small sample size was the major limitation of this study which inhibited the comparison of the results between industry sectors. A study of this nature is vitally-important to highlight the stakeholder such as government, private bodies, NGOs, policy maker and entrepreneurs on the important of entrepreneurial orientation and accessibility to finance on business performance.

**KEYWORDS:** Entrepreneurial Orientation, Access To Finance, Business Performance, Sme, Preliminary Study.

## **1. INTRODUCTION**

The contemporary studies in small business normally discuss the issues of business performance in their studies (Steffens et al., 2009). This issue sparked a heated debate not only to business media but policy makers, too (Storey, 2011). However, this area of research is still limited in their empirical base (Blackburn & Jarvis, 2010), dependent on normative assumptions (Gibb, 2000) and theoretically weak (Leitch et al., 2010). This topic is in need for more empirically robust studies subject to a series of complex factors that determine growth and performance in small business (Levie & Lichtenstein, 2010).

Many studies have been done focus on business performance. Factors associated to the performance are also many such as sector activities, firm size, management experiences (Baldwin, 2005; Storey, 2004), customer's satisfaction, government policy (Dobbs & Hamilton, 2007), socio-cultural factors involved in entrepreneurial activity (Welter & Smallbone 2011), including entrepreneurial orientation (Bolton & Lane, 2012; Awang et al., 2010) and access to finance (Harvie, Oum, & Narjoko, 2011; Mohammed & Obeleagu-nzelibe, 2014).

Some studies and empirical evidence show that entrepreneurial orientation would enhance access to finance (see Covin & Lumpkin, 2011; Pandula, 2011; Ghimire & Abo, 2013). Unfortunately, there is limited study to prove that entrepreneurial orientation would increase access to finance and ultimately increase performance. Moreover, entrepreneurial orientation in some studies had no significant impact on firm performance (Khalil, Nejadhussein & Fazel, 2013). This shows that entrepreneurial orientation had no direct impact on business performance (see Lumpkin & Dess, 1996; Wiklund & Shepherd, 2005). This might be true for sustain business operation capital is more important. Entrepreneurial orientation would help small business to get access to capital and hence its performance could be improved. Therefore, the purpose of this study is to test the relationship of entrepreneurial orientation represented by three main dimensions (innovativeness, risk taking and aggressive competitiveness) on SMEs performance and unearth whether access to finance can be a mediator in the relationship between entrepreneurial orientation and business performance.

## **2. THEORETICAL FRAMEWORK AND HYPOTHESES DEVELOPMENT**

### **2.1 Entrepreneurial Orientation and Business Performance**

Performance of an organisation is based on the result from various strategies that are adopted by the organization itself. Harabi (2007) indicated that the principal factors of firm performance are related to business strategies, location, price competitor, company liability, market demand and certain government policies. Prior researchers suggested that financial measure should have a linkage with the market based measures (Dess & Davis, 1984).

The suitability of exploring the dimensions of entrepreneurial orientation multidimensionality or in unidimensionality is a matter of theoretical viewpoint (Covin & Wales, 2012; Covin, Green, & Slevin, 2006). Historically, the model of entrepreneurial orientation is introduced by Miller (1983) with prior dimension of entrepreneurial orientation are innovation, risk taking and

pioneering (also known as aggressive competitiveness). Since entrepreneurial orientation model has been developed since last decades, many studies whether quantitative and qualitative had been done. The significant impact of entrepreneurial orientation on business performance and growth has been proved by previous researchers. It has been revealed that entrepreneurial firms, profitability, growth, firm performance and product innovation are closely related each other (see Moreno & Casillas, 2008; Avlonitis & Salavou, 2007). Zampetakis et al. (2011) added that firm with high entrepreneurial orientation will perform better than firms that are less. Empirical evidences by Rauch and Frese (2009) resulted 24 per cent of the firm performance was explained by entrepreneurial orientation. Justin et al. (2010) found that top managers with high of entrepreneurial orientation for instance willing to take risk, show high degree of ahead compared competitor and favour innovative activities have positive related to performance of the firm. Therefore, the main hypothesis of this study was the following:

**H1:** Entrepreneurial orientation is positively and significantly related to business performance.

However, since entrepreneurial orientation has multi-dimensional construct, this study had the following expectations:

**H1a:** The innovativeness is positively and significantly related to business performance.

**H1b:** The risk taking is positively and significantly related to business performance.

**H1c:** The aggressive competitiveness is positively and significantly related to business performance.

## **2.2 Entrepreneurial Orientation and Access to Finance**

Entrepreneurial orientation and access to financial services is inter-related each other. Even lack of the previous literature identifies the direct relationship between them, however, without adequate resources, all strategic intentions and plans cannot be accomplished (Tang et al., 2008). Covin and Lumpkin (2011) reminded that the dimensions of entrepreneurial orientation can support getting capital or financial resources to the firm.

Not only to the business performance, has entrepreneurial orientation also opened up many chances for company in order to access to external finance too. To Mukiri (2011) the firms that have an entrepreneurial orientation are more focus and effort toward seeking opportunities from supply of capital. While, Haung et al. (2011) believed that entrepreneurs with high risk-taking behaviour is willing to take any risk including access to external financial capital. In other words firm strategic activities improve firm's cash flows, sales volume and profit which could increase the availability of financing (Ghimire & Abo, 2013; Pandula, 2011). They argue that extent of financing and the choice of capital sources are both driven by a multitude of firm strategic abilities. Therefore, entrepreneurial characteristics found to have positive influence on SMEs access to debt (Fatoki & Asah, 2011). Likewise, entrepreneurial skills enhance better access to resources including financial resources (Mohammed & Obeleagu-nzelibe, 2014). On

the basis of previous research this study assumes the second hypothesis and sub-hypotheses as below:

**H2:** Entrepreneurial orientation is positively significant with access to finance.

**H2a:** Innovativeness is positively significant with access to finance.

**H2b:** Risk taking is positively significant with access to finance.

**H2c:** Aggressive competitiveness is positively significant with access to finance.

### **2.3 Access to Finance and Business Performance**

In most industrially developed and developing economies, a growing number of SMEs need access to a wide range of sources of finance (Hussain, Millman, & Matlay, 2006). Based on previous studies, access to enough financial resources would give many benefits to business. Access to finance is believed helps all firms to grow and prosper (Butler & Cornaggia, 2009; Stam & Garnsey, 2008). Ayyagari et al. (2011) found that bank financing has a high impact on growth of firms. Nevertheless, they noted that the growth of firms relies heavily on alternative financing conduits despite the formal financing. Moreover, the study in US depicted that financial access gives a positive significant change to agricultural crop yields. The states that have a high access to finance relatively increase their production levels (Butler & Cornaggia, 2009).

Many studies highlighted access to finance as one of the driving factors of an enabling economic environment (see Isern et al., 2009; Hussain et al., 2006). Increased access to finance for SMEs can improve economic conditions in developing countries by fostering innovation, macroeconomic resilience and GDP growth (Bouri et al., 2011). In other words, aggregate economic performance will be improved by increasing the access to capital (World Bank, 2011). Accordingly it is hypothesized that:

**H3:** Access to finance is positively associated with SMEs performance.

### **2.4 Entrepreneurial Orientation, Access to Finance and Business Performance**

Ability of enterprise to get required business capital is relying on various firm strategies. Firm that create effective strategic orientation can make more returns and profits and attract more external finances (Cheng, Ioannou, & Serafeim, 2014). Subsequently, Ganbold (2008) point out that firm's failure to utilize principles that will direct and influence viable behaviours and activities are a significant reason impeding SMEs to get obliged financial resources. In fact, poor strategic actions in SMEs are one of the primary reasons that SMEs could not access finance. Aktan and Bulut (2008) stated that strategic activities positively affect the firms' financial access in the future. However, getting sufficient financial resources is determined by the firm operation and strategic activities (Mazanai & Fatoki, 2012; Rahaman, 2011; Steinerowska-streb & Steiner, 2014). Therefore, configuring operative strategic orientation may enable firm to attract external investors.

There are several previous studies had introduced access to finance as a mediator variable. For instance, the study by Zampetakis et al. (2011) which examine the relationships among entrepreneurial orientation, access to financial resources, and broadcasted product performance. The Results of Bayesian path analysis indicate that access to financial resources fully mediates the effect of entrepreneurial orientation on product performance. Likewise, Fatoki (2012) investigates the impact of entrepreneurial orientation on access to debt finance and performance of small and medium enterprises (SMEs). The results also indicate that access to debt finance partially mediates the relationship between entrepreneurial orientation and the performance of SMEs. Consequently, based on these arguments and prior research findings, there is possibility of entrepreneurial orientation has significant relationship to access to finance and directly could improve the firm performance. Hence, the third hypothesis and the sub-hypotheses can be derived as follows:

**H4:** Entrepreneurial orientation and business performance is a mediated by access to finance rather than direct relationship.

**H4a:** Innovativeness and business performance is mediated by the access to finance rather than direct relationship.

**H4b:** Risk taking and business performance is mediated by the access to finance rather than direct relationship.

**H4c:** Aggressive competitiveness and business performance is mediated by the access to finance rather than direct relationship.

### **3. RESEARCH METHODS**

This study is employed quantitative approach in preliminary data collection and analysis. This approach is most suitable since this study will test the relationship among constructs. As mentioned by Burns and Grove (2005) define quantitative research as a formal, objective, systematic process to test relationship and examine the cause and effect of interactions among variables.

#### **3.1 Sample and Data Collection**

As a preliminary study, 30 samples are set drawn from SMEs comprise various sectors by using the judgment sampling technique which confined to specific types of people who can provide the desired information, either because they are the only ones who have it, or conform to some criteria set by the study (Sekaran & Bougie, 2009). Therefore, a strict instruction applied for collecting data which are; 1) the number of fulltime employees in the firm must be between 5 and 75; 2) the business must be operated in 3 years and above; and 3) the respondent must be owner or manager of the business.

Data can be collected from primary and secondary sources (Ngehnevu & Nembo, 2010). Therefore, self-administered questionnaire is used as primary data in this study. For practical used in Malaysia environment, the questionnaire was provided into two languages, English and Bahasa Melayu. While, the secondary data was gathered from books, journal articles, annual

reports, websites and theses including published and unpublished work since they also important to provide necessary information regarding the areas of study.

### **3.2 Variables and Measurement**

The dependent variable for this study is business performance. Business performance is represented by six items reformed from previous studies (see Ar and Baki, 2011; Gathenya et al., 2011) namely; sales, market share, customer satisfaction on product, product quality level, profitability level and production level. All items are subjectively measured by using five-point of Likert scale which is represented by 1 is significantly lower, 3 is unchanged and 5 is significantly higher. Next, the independent variable is entrepreneurial orientation which is represented by three common dimensions specifically; innovativeness, risk taking and aggressive competitiveness adjusted from the study by Callaghan (2009), Bulelwa (2008) and Hughes and Morgan (2007). All dimensions exemplified by five items reviewed from many previous studies (e.g. Bolton and Lane, 2012; Lan and Wu, 2010). Meanwhile, the mediating variable is access to finance which is represented by four item indicating the level of accessing external financial sources measured by five-point which are 1= no access, 2= irregular, 3=medium, 4=regular and 5= highly regular. All items were adapted the study by Oni, Paiko and Ormin (2012).

## **4. PRELIMINARY RESULT AND ANALYSIS**

For preliminary stage, 40 questionnaires were initially provided by the researcher to the respondents. However, only 30 questionnaires were considered to be legitimate and had met the required inclusive criteria for this research. 10 questionnaires were returned as they were deemed unusable since they were either blank or the respondents did not complete two or more question in the questionnaire.

Table 1 depicts the entrepreneurs' background. A total of 30 samples were used in this pilot study all are Malays. In terms of the gender of the respondents, it shows that the majority, 70% were male compared to 30% female. The majority of participants are aged between 31 to 50 years old, while only three respondents were aged above 60. This shows that a large of the participants were in middle-age group. Furthermore, most of the entrepreneurs in this study had business experiences 6 to 10 years. Based on the business owners' experiences, as mentioned by Rosman and Mohd Rosli (2011), majority of them had experience before they start business. In terms of their educational level, most of the respondents completed their studies from secondary school which is 67%, while, the rest 10% attended post-secondary education and 23% graduated from tertiary education. Generally, most of the respondent has received the basic education. Non-schooling respondents are basically the older generation.

**Table 1: Entrepreneurs Background**

	Item	Frequency	
		N=30	100.0%
<i>Gender</i>	Male	21	70.0
	Female	9	30.0
<i>Age</i>	≤ 30 years old	4	13.3
	31-40 years old	8	26.7
	41-50 years old	9	30.0
	51-60 years old	6	20.0
	> 60 years old	3	10.0
	<i>Experiences</i>	≤ 5 years	7
	6 – 10 years	11	36.7
	11 – 15 years	3	10.0
	16 – 20 years	3	10.0
	26 – 30 years	5	16.7
	> 30 years	1	3.3
<i>Educational Level</i>	Secondary	20	66.6
	Post-secondary education	3	10.0
	Tertiary education	7	23.3

Source: Based on data preliminary survey.

Table 2 presents the enterprise background. Business activities are divided into four main categories which are services, construction, manufacturing (including retail and wholesale) and agricultural. From the survey of 30 enterprises, this study found that most of them are involved in services (66.7%) compared to others. In line by comparing to national percentage, services sector is contributing 90% compared to others (SME Annual Report, 2015). In term of business ownership, almost of them are sole-proprietorship (93.3%) compared to partnership (6.7%). More than that, over 90% of them operated their business more than 10 years. This shows that most of the entrepreneurs were operating established business. According to Ngehnevu and Nembo (2010), the duration of business are related to the stage of development like newly started (below 1 year), young but established (1-5 years), growing (5-10 years) and mature but needs renewal (10 years and above). Moreover, majority of the enterprises have number of full-time employees between 5 and 25 (83.4%). Overall, utmost half of enterprises could generate average monthly sales over RM 40,001 (43.3%).



**Table 2: Enterprises Background**

Item	Frequency		
	N=30	100.0%	
<i>Business Type</i>	Services	20	66.7
	Manufacturing	8	26.7
	Construction	1	3.3
	Agriculture	1	3.3
<i>Ownership Type</i>	Sole-proprietorship	28	93.3
	Partnership	2	6.7
<i>Business Age</i>	3-5 years	6	20.0
	6 -10 years	13	43.3
	11-15 years	4	13.3
	16-20 years	2	6.8
	21-25 years	1	3.3
	> 25 years	4	13.3
<i>No. of Fulltime Employees</i>	5 – 25	25	83.4
	26 – 45	4	13.3
	> 45	1	3.3
<i>Monthly Sales(RM)</i>	≤ 10,000	7	23.3
	10,001 – 20,000	6	20.0
	20,001 – 30,000	3	10.0
	30,001 – 40,000	1	3.3
	> 40,001	13	43.3

Source: Based on data preliminary survey.

Based on the result of a preliminary reliability tests, the Cronbach’s Alpha for all constructs were range 0.66 to 0.94. Even not all constructs exceed 0.70 of Cronbach’s Alpha value as suggested by Nunnally (1978, p.245), but, majority of the constructs showed the Cronbach’s Alpha value higher than 0.70. The alpha coefficient for the all items are suggesting that the items have relatively high internal consistency to represent each construct (see Table 3).

**Table 3: Reliability test for preliminary study**

Construct	Cronbach’s Alpha Value	No. of items
<i>Dependent variable</i>		
Business performance	0.936	6
<i>Independent variables</i>		
Innovativeness	0.888	5
Risk taking	0.759	5
Aggressive competitiveness	0.848	5
<i>Mediator variable</i>		
Access to finance	0.655	4

Source: Based on data preliminary survey.



In order to test all hypotheses stated earlier, this study used regression analysis test to conclude findings. Since this study has a mediating variable (access to finance), mediating effects for the model is tested by following the steps suggested Baron and Kenny (1986). Three conditions must be fulfilled for a mediator to exist; 1) the independent variable must be significantly related to the dependent variable, 2) the independent variable must be significant to the mediator, and 3) the mediator must be significant to dependent variable. Then, to conclude the effect of mediating, the impact of independent variable on dependent variable is either insignificant (total mediation) or less significant (partial mediation) when the mediator is included in the model.

As in Table 4, step 1 and step 2 indicate that only risk taking and aggressive competitiveness had positive significant on business performance and access to finance, while innovativeness is not significant. Just as study by Justin et al. (2010) found that top managers with high of entrepreneurial orientation for instance willing to take risk, show high degree of ahead compared competitor have positive related to performance of the firm. As mentioned by Awang et al. (2010) the ability of a firm to sustain is directly related to a firm's intensity to take calculated risks. Next step 3 resulted that access to finance is positively significant to business performance. This result is support by the numerous prior studies which underlined that financial access as one of the crucial factors of an enabling economic environment (e.g: Isern et al., 2009; Hussain et al., 2006).

Lastly, in step 4 where mediator is included in the model. It shows that the relationship between risk taking and business performance is still significant, but the impact is less significant (decrease significant from 0.001 to 0.05), leads to partial mediation. Next, the relationship between aggressive competitiveness and business performance indicate insignificant when access to finance (mediator) included in the model. This stated that full mediation or total mediation. Firm with better strategies firm will have more access to financing and ought to have the ability to enhance their performance (Achleitner, Braun, & Kohn, 2011). Thus, an effective entrepreneurial orientation may be a good predictor of firm access to financial resources.

**Table 4: Hypotheses Testing**

Step	Constructs	t-value	Hypothesis	Result
Step 1	Innovativeness → Business performance	1.904	H1a	<i>Not Significant</i>
	Risk taking → Business performance	4.069***	H1b	<i>Significant</i>
	Aggressive competitiveness → Business performance	3.616***	H1c	<i>Significant</i>
Step 2	Innovativeness → Access to finance	1.302	H2a	<i>Not Significant</i>
	Risk taking → Access to finance	3.543***	H2b	<i>Significant</i>
	Aggressive competitiveness → Access to finance	3.053**	H2c	<i>Significant</i>
Step 3	Access to finance → Business performance	3.017**	H3	<i>Significant</i>
Step 4	Risk taking → Access to finance → Business performance	2.482*	H4b	<i>Partial mediation</i>
	Aggressive competitiveness → Access to finance → Business performance	1.578	H4c	<i>Total mediation</i>

Note: \*  $p < 0.05$ , \*\*  $p < 0.01$ , and \*\*\*  $p < 0.001$  are significant at the 0.05, 0.01 and 0.001 level respectively.

Source: Based on data preliminary survey.

## 5. CONCLUSION, LIMITATIONS AND FUTURE RESEARCH

As conclusion, SMEs plays crucial roles in economic development in domestic as well as international market. Due to this, recognizing the significance of various contributions of SMEs performance to an economy, many studies on business performance has been done. Factors associated to the performance are also many including entrepreneurial orientation and financial support. So, the main objective of this study is to test whether the dimensions of entrepreneurial orientation namely; innovativeness, risk taking and aggressive competitiveness are positively related on business performance. Also, this study aims to unearth whether access to finance can be a mediator in the relationship between entrepreneurial orientation and business performance. By testing the mediator effect, this study advances the previous works on this area which considers these effect on business performance simultaneously. For start-up, this study employed a primary data set drawn from 30 SMEs and using regression analysis to test all hypotheses. The main findings indicate that only risk taking and aggressive competitiveness were positively significant translated into business performance. Also, this study found access to finance is positively significant on business performance and concluded

that entrepreneurial orientation would help enterprise to get access to capital and hence its performance could be improved.

Since this study is preliminary stage, the small sample size was the major limitation of this study which inhibited the comparison of the results between industry sectors. The sample for this preliminary study comprised of 30 enterprises which the sample is very small proportion of the entire population of SMEs in the Malaysia. Hence, it is rather biased to assume that an individual response is a reliable and valid indicator for represent the whole population. Later, future researcher should extend this study by considering sufficient enough of data based on the population number of the studies. Additionally, the data collection was confined only one state in Malaysia. The replication of this study at different regions of Malaysia would enable better generalisability of the findings and have better responses to improving the findings. Then, this study only consider entrepreneurial orientation and access to finance as internal factors to business performance, while there are many other internal as well as external factors that should be consider in contributing to business performance. So, future work should ponder other factors such as business networking, economic factors and competition (Rosman and Mohd Rosli, 2011).

## **6. REFERENCES**

Achleitner, A. K., Braun, R., & Kohn, K. (2011). New venture financing in Germany: Effects of firm and owner characteristics. *Zeitschrift Für Betriebswirtschaft*, 81(1), 263-294. <http://dx.doi.org/10.1007/s11573-011-0441-3>

Aktan, B., & Bulut, C. (2008). Financial performance impacts of corporate entrepreneurship in emerging markets: A case of Turkey. *European Journal of Economics, Finance and Administrative Sciences*, (12), 69-79.

Ar, I. M., & Baki, B. (2011). Antecedents and performance impacts of product versus process innovation: empirical evidence from smes located in Turkish science and technology parks. *European Journal of Innovation Management*, 14 (2), 172-206.

Avlonitis, G.J., & Salavou, H.E. (2007). Entrepreneurial orientation of SMEs, product innovativeness, and performance. *Journal of Business Research*, 60 (5), 566-575.

Awang, A, Ahmad, Z.A, Asghar ARS, & Subari, K.A. (2010). Entrepreneurial orientation among Bumiputera Small and Medium Agro-Based Enterprises (BSMAEs) in West Malaysia: Policy implication in Malaysia. *International Journal of Bussiness and Management*, 5(5), 13- 143.

Ayyagari, M., Demirguc-Kunt, A., & Maksimovic, V. (2011). Small vs. Young Firms across the World: Contribution to Employment, Job Creation, and Growth. Policy Research Working Paper No. 5631. Retrieved June 22, 2016, from: <http://www->

[wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/2012/11/06/000158349\\_20121106091157/Rendered/PDF/WPS5631.pdf](http://wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/2012/11/06/000158349_20121106091157/Rendered/PDF/WPS5631.pdf)

Baldwin, J. (2005). *Dynamics of Industrial Competition: A North Amman Perspective*. Cambridge: Cambridge University Press.

Baron, R. M., & Kenny, D. A. (1986). The moderator-mediator variable distinction in social psychological research: conceptual, strategic, and statistical considerations. *Journal of Personality and Social Psychology*, 51 (6), 1173-1182.

Blackburn, R., & Jarvis, R. (2010). *The role of small and medium practices in providing business support to small- and medium-sized enterprises*. (Project Report) New York, USA : International Federation of Accountants. 32 p. ISBN 9781608150649 Retrieved June 22, 2016, from: <http://www.ifac.org>

Bolton, D. L., & Lane, M. D. (2012). Individual entrepreneurial orientation: development of a measurement instrument. *Education and Training*, 54 (23), 219-233.

Bouri, A., Breij, M., Diop, M., Kempner, R., Klinger, B., & Stevenson, K. (2011). *Report on Support to SMEs in Developing Countries Through Financial Intermediaries*, Retrieved June 16, 2016, from: [Wouter.Deelder@dalberg.com](mailto:Wouter.Deelder@dalberg.com).

Bulelwa, N. (2008). *A descriptive analysis of the differences between two of the SME categories in relation to entrepreneurial orientation, age and levels of education in South Africa*. Master of Business Administration dissertation, University of Pretoria, Pretoria.

Burns, N., & Grove, S. K. (2005). *The Practice of Nursing Research: Conduct, Critique, and Utilization*. 5th Ed. St. Louis: Elsevier Saunders.

Butler, A., & Cornaggia, J. (2009). Does access to external finance improve productivity? Evidence from a natural experiment. *Journal of Financial Economics*, 99 (1), 184-203.

Callaghan, C.W. (2009). *Entrepreneurial orientation and entrepreneurial performance of central Johannesburg informal sector street traders*, Master of Commerce dissertation, University of the Witwatersrand, Johannesburg.

Cheng, B., Ioannou, I., & Serafeim, G. (2014). Corporate social responsibility and access to finance. *Strategic Management Journal*, 35(1), 1-23.

Covin, J. G. & Wales, W. J. (2012), *The Measurement of Entrepreneurial Orientation*. *Entrepreneurship Theory and Practice*, 36 (4), 677–702.

Covin, J. G., Green, K. M., & Slevin, D. P. (2006). Strategic process effects on the entrepreneurial orientation - sales growth rate relationships. *Entrepreneurship Theory and Practice*, 30 (1), 57-81.

Covin, J.G., & Lumpkin, G.T. (2011). Entrepreneurial orientation theory and research: Reflections on a needed construct. *Entry Theory and Practice*, 35 (5), 855-872.

Dess, G. G., & Davis, P. S. (1984). Generic strategies as determinants of strategic group membership and organizational performance. *Academy of Management Journal*, 27 (3), 467-488.

Dobbs, M., & Hamilton, R. (2007). Small business growth: recent evidence and new directions. *International Journal of Entrepreneurial Behaviour & Research*, 13 (5), 296-322.

Fatoki, O. (2012). The Impact of entrepreneurial orientation on access to debt finance and performance of small and medium enterprises in South Africa. *Journal Social Science*, 32 (2), 121-131.

Fatoki, O. O., & Asah, F. (2011). The impact of firm and entrepreneurial characteristics on access to debt finance by SMEs in King Williams' town, South Africa. *International Journal of Business and Management*, 6 (8), 170-180.

Ganbold, B. (2008). Improving Access to Finance for SME: International Good Experiences and Lessons for Mongolia. Retrieved September 17, 2015, from: [www.ide.go.jp/English/Publish/Download/Vrf/pdf/438.pdf](http://www.ide.go.jp/English/Publish/Download/Vrf/pdf/438.pdf)

Gathenya, J. W., Bwisa, H. M., & Kihoro, J. M. (2011). Interaction between women entrepreneurs' age and education on business dynamics in Small and Medium Enterprises in Kenya. *International Journal of Business and Social Science*, 2 (15), 265-272.

Ghimire, B., & Abo, R. (2013). An empirical investigation of Ivorian SMEs access to bank finance: Constraining factors at demand-level. *Journal of Finance and Investment Analysis*, 2 (4), 29-55.

Gibb, A. (2000). SME policy, academic research and the growth of ignorance, mythical concepts, myths, assumptions, rituals and confusions. *International Small Business Journal*, 18 (3), 14-26.

Harabi, N. (2007). Determinants of firm growth: an empirical analysis from Morocco. Paper No. 4394. Retrieved June 17, 2016, from: [mpra.ub.unimuenchen.de/4394/1/MPRA\\_paper\\_4394.pdf](http://mpra.ub.unimuenchen.de/4394/1/MPRA_paper_4394.pdf)

Harvie, C., Oum, S. & Narjoko, D. A. (2011). Small and Medium Enterprises Access to Finance in Selected East Asian Economies, eds. ERIA, Jakarta.

Haung, K.P., Wang, K.U., Chen, K.H., & Yien, J.M. (2011). Revealing the effects of entrepreneurial orientation on firm performance. A conceptual approach. *Journal of Applied Sciences*, 11 (6), 3049-3052.

Hughes, M. & Morgan, R.E. (2007). Deconstructing the relationship between entrepreneurial orientation and business performance at the embryonic stage of firm growth. *Industrial Marketing Management*, 36, 651-661.

Hussain, J., Millman, C., & Matlay, H. (2006). SME financing in the UK and in China: a comparative perspective. *Journal of Small Business and Enterprise Development*, 13 (4), 584-599.

Isern, J., Agbakoba, A., Flaming, M., Mantilla, J., Pellegrini, G., & Tarazi, M. (2009). *Access to Finance in Nigeria: Microfinance, Branchless Banking, and SME Finance*. Washington.

Justin, L. Davis, R. Bell, G., Payne, T. & Kreiser, M. (2010). Entrepreneurial Orientation and Firm Performance: The Moderating Role of Managerial Power, *American Journal of Business*, 25 (2), 41 – 54.

Khalil, H., Nejadhussein, S. & Fazel, A. (2013). The influence of entrepreneurial orientation on innovative performance. *Journal of Knowledge-based Innovation in China*, 5 (3), 262-278.

Lan, Q. & Wu, S. (2010). An empirical study of entrepreneurial orientation and degree of internationalization of small and medium-sized Chinese manufacturing enterprises. *Journal of Chinese Entrepreneurship*, 2 (1), 53-75.

Leitch, C., Hill, F. & Neergaard, H. (2010). Entrepreneurial and business growth and the quest for a ‘comprehensive theory’: tilting at windmills? *Entrepreneurship Theory and Practice*, 34 (2), 249-260.

Levie, J. & Lichtenstein, B. (2010). A terminal assessment of stages theory: introducing a dynamic states approach to entrepreneurship. *Entrepreneurship Theory and Practice*, 34 (2), 317-350.

Lumpkin, G.T., & Dess, G.G. (1996). Clarifying the entrepreneurial orientation construct and linking it to performance. *The Academy of Management Review*, 21 (1), 135-172.

Mazanai, M., & Fatoki, O. (2012). Access to finance in the SME sector: A South African perspective. *Asian Journal of Business Management*, 4 (1), 58-67.

Miller, D. (1983). The correlates of entrepreneurship in three types of firms. *Management Science*, 29 (7), 770 – 791.

Mohammed, U. D., & Obeleagu-nzelibe, C. G. (2014). Entrepreneurial skills and profitability of Small and Medium Enterprises (SMEs): Resource acquisition strategies for new ventures in Nigeria. In 25th International Business Research Conference (pp. 1-21). Cape Town.

Moreno, A., & Casillas, J. (2008). Entrepreneurial orientation and growth of SMEs: A causal model. *Entrepreneurship Theory and Practice*, 32 (3), 507-528.

Mukiri, M.G. (2011). Determinants of Access to Bank Credit by Micro and Small Enterprises in Kenya. Retrieved July 1, 2016, from [www.growinginclusivemarkets.org/media/publications/determinants\\_of\\_access\\_to\\_bank\\_credit\\_by\\_micro\\_and\\_small\\_enterprises\\_in\\_kenya.pdf](http://www.growinginclusivemarkets.org/media/publications/determinants_of_access_to_bank_credit_by_micro_and_small_enterprises_in_kenya.pdf)

Ngehnevu, C. B., & Nembo, F. Z. (2010). The impact of Microfinance Institutions (MFIs) in the development of Small and Medium Size Businesses (SMEs) in Cameroon: A case study of CamCCUL. Retrieved from: <http://stud.epsilon.slu.se>

Nunnally, J. C. (1978). *Psychometric theory* (2nd ed.). New York: McGraw-Hill.

Oni, E. O., Paiko, I. I., & Ormin, K. (2012). Assessment of the contribution of Micro Finance Institutions (MFIs) to sustainable growth of Small and Medium Scale Enterprises (SMEs) in Nigeria. *Interdisciplinary Journal of Contemporary Research in Business*, 3 (9), 1099-1110.

Pandula, G. (2011). An empirical investigation of small and medium enterprises' access to bank finance: The case of an emerging economy. In *Proceedings of ASBBS Annual Conference*, 18, 18.

Rahaman, M. M. (2011). Access to financing and firm growth. *Journal of Banking and Finance*, 35(3), 709-723.

Rauch, A., & Frese, M. (2009). Psychological approaches to entrepreneurial success: a general model and an overview of findings, in Cooper, C.L. and Robertson, I.T. (Eds), *International Review of Industrial and Organisational Psychology*, Wiley, Chichester, 101-142.

Rosman, M., & Mohd Rosli, M. (2011). *Perusahaan Kecil dan Dilema Usahawan Melayu*. Kuala Lumpur: Penerbit Universiti Malaya.

Sekaran, U., & Bougie, R. (2009). *Research method for business: A skill building approach*, 5th edition. United States: John Wiley & Sons Inc.

SME Annual Report. (2015). Retrieved from: [http://www.smeinfo.com.my/index.php?option=com\\_content&view=article&id=1415&Itemid=1312&lang=en](http://www.smeinfo.com.my/index.php?option=com_content&view=article&id=1415&Itemid=1312&lang=en)



Stam, E., & Garnsey, E. W. (2008). Entrepreneurship in the Knowledge Economy. Centre for Technology Management (CTM) Working Paper, No. 2007/04. Retrieved July 1, 2016, from: <http://dx.doi.org/10.2139/ssrn.1923098>

Steffens, P., Davidsson, P. & Fitzsimmons, J. (2009). Performance configurations over time: implications for growth- and profit-orientated strategies. *Entrepreneurship Theory and Practice*, 33 (1), 125-49.

Steinerowska-streb, I., & Steiner, A. (2014). An analysis of external finance availability on SMEs' decision making: A case study of the emerging market of Poland. *Thunderbird International Business Review*, 56(4), 373-386.

Storey, D. (2004). *Understanding the Small Firm Sector*. Routledge: London.

Storey, D. (2011). Optimism and chance: the elephants in the entrepreneurship room. *International Small Business Journal*, 29 (4), 303-321.

Tang, J., Tang, Z., Marino, L.D., Zhang, Y., & Li, Q. (2008). Exploring an inverted u-shape relationship between entrepreneurial orientation and performance in Chinese ventures. *Entry Theory Practice*, 32 (1), 219-239.

Welter, F., & Smallbone, D. (2011). Institutional perspectives on entrepreneurial behaviour in challenging environments. *Journal of Small Business Management*, 49(1), 107-125.

Wiklund, J., & Shepherd, D. (2005). Entrepreneurial orientation and small business performance: A configurational approach. *Journal of Business Venturing*, 20 (1), 71-89.

World Bank. (2011). Economy rankings. IFC. Retrieved November 15, 2015, from: <http://www.doingbusiness.org/rankings>

Zampetakis, L. A., Vekini, M., & Moustakis, V. (2011). Entrepreneurial orientation, access to financial resources, and product performance in the Greek commercial TV industry, *The Service Industries Journal*, 31(6), 897-910.