MODERATING EFFECTS OF ENTREPRENEURIAL ORIENTATION AND STRATEGIC DECISION RESPONSIVENESS ON MARKET ORIENTATION: EVIDENCE FROM WOMEN-OWNED SMALL AND MEDIUM SIZED BUSINESSES

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ABSTRACT

This research examined the effects of entrepreneurial orientation's dimensions and strategic decision responsiveness on market orientation – women-owned small and medium sized business (WSMB) performance relationship. Literature demonstrates that an alignment amid market orientation (MO), entrepreneurial orientation (EO) and strategic decision responsiveness (SDR) is critical for small business performance. However, empirical studies have not thoroughly accounted for an aligned effect of MO, EO and SDR in the context of WSMB in developing countries. Results of the study revealed that all three dimensions of MO singularly and when aligned with the dimensions of EO and SDR accentuate the WSMB performance.

1. Introduction

Women-owned small and medium sized businesses are on the rise in all forms of economy, and are deemed as drivers of the economic growth because of their dominance in numbers, contribution to employment creation and innovation (Peacock, 2004). Contemporary research elucidates that growing competition together with the adoption of sophisticated technology by large firms have started to plague the growth of less entrepreneurial and less market responsive small and medium scale businesses (Wang *et al.,* 2006). While, growing businesses largely remain market focused (Aziz and Yasin, 2010; Verhees and Meulenberg, 2004), entrepreneurial (Dimitratos *et al.,* 2010; Hughes and Morgan, 2007; Tajeddini, 2010; Wiklund and Shepherd, 2005) and decision responsive (Beaver, 2007; Wang *et al,.* 2006; Kunc and Morecroft, 2010).

Realization to survive through sustainable growth have motivated small and medium sized businesses (SBM) in many developing and under developed economies to invest resources in developing strategic orientations; to address the environmental challenges, and seek strategy-environment fit through being market oriented and entrepreneurial (Morgan *et al.,* 2014). Research on market orientation (MO) and entrepreneurial orientation (EO) is grouped in two

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separate streams; strategic management literature centres on EO (Covin and Slevin, 1988; Zahra and Covin, 1995), whereas, marketing literature concentrates on MO (Narver and Slater, 1990; Baker and Sinkula, 2007). MO and EO are argued to be discrete, and defined as a source of acquiring the needed competitive advantage and growth for all sizes of businesses (Otero-Neira *et al.,* 2013). Furthermore, discussion in literature argues the counterproductive distribution of MO and EO constructs (Morgan *et al.,* 2014), and advocates the alignment amid MO and EO or vice versa for enhancing the firm overall performance (Atuahene-Gima and Ko, 2001; Matsuno *et al.,* 2002; Baker and Sinkula, 2009).

In hopes of being the part of the ongoing debate, this study utilized EO and SDR as moderators of MO (Covin *et al.,* 2006; Kohli *et al.,* 1993; Li *et al.,* 2008) to determine their effects on WSMB performance in Punjab, Pakistan.

2. Literature Review

Contemporary literature on the alignment of MO and EO has produced initial articles and indicates positive confluences of MO and EO on SMB performance (Sole, 2013). MO and EO are knotted, but different business philosophies; EO stresses more on innovation, pro-action and risk bearing, entailing firm's own believe that business growth is a result of firm own actions. MO, on the other hand emphases more on the collection and dissemination of intelligence related to customers and competitors, entailing firm believe that growth rest in responding to the customer needs efficiently, and that both these strategic orientation co-exist and influence the SMB performance positively (Becherer and Maurer, 1999).

Aloulou and Fayole (2005) detailed that MO is a compelling strategic orientation for small business growth, but adoption of MO requires conciliation of other strategic orientation(s), like EO to maximize the effect of MO on the growth and profitability of SMB. Keh *et al.,* (2007) discussed the effects of EO and marketing information on the growth of SMB and emphasised that information generation and its exploitation is vital for SMB, as it foster the SMB creativity in designing valuable offerings to customers and effective marketing programs, while, entrepreneurial drive permit SMB to appraise potential business opportunities, recognize profitable segments, and avoid risk to attain sustained growth through the use of marketing information.

Baker and Sinkula (2009) affirmed that EO and MO are correlated, but distinct constructs, and they complement each other well to boost firm overall profitability. The results of their study changes the previous assumptions pertaining to the direct strong effect of MO on profitability and the questioning of EO as a silent construct through theoretical affirmation and empirical demonstration that EO too has a strong effect on SMB growth and profitability.

Parallel to EO and MO discussion in literature, it is recently argued that speed at which decision(s) are made by the firms have strong significant effect on performance. Strategic decision responsiveness is defined as a decision speed to which the firm's major functional and strategic decisions are made through collective or autocratic way (Baum and Wally, 2003). SDR permits the firms to quickly adjust and respond to the changes that are taking place in

environment, as responsive firms have the flexibility to adjust swiftly to the changing environmental conditions (Garrett *et al.,* 2009; Randall *et al.,* 2003).

Decision responsiveness may prove decisive for the WSMB in conditions of uncertainty and ambiguity as highlighted in literature that SDR as decision speed may be conjectured as moderator for the MO – performance relationship, as length of decision time correlates directly to the business opportunities that prevail in the market for a limited time period (Eisenhardt, 1993), like EO as catalyst to MO when actualized (Becherer and Maurer, 1999).

3. Theoretical Framework and Hypotheses

Theoretical framework of this study intends to align the dimensions of EO and SDR as moderators to MO – performance relationship in context to women-owned businesses on the assumption that MO and EO are discrete, and are required by businesses for enhanced performance. Literature on strategic marketing and marketing management illustrates strong influence of MO on firm performance (Kohli and Jaworski, 1990; Baker and Sinkula, 2007; Griffith *et al.,* 2010; Hult and Ketchen, 2001; Narver and Slater, 1990; Shoham *et al.,* 2005). Likewise, strategic management literature signifies the pivotal role of EO to firm performance (Guth and Ginsberg, 1990; Covin and Slevin, 1991; Lumpkin and Dess, 1996, 2001; Kraus, 2013; Madichie *et al.,* 2013; Mthanti and Urban, 2014; Rigtering *et al.,* 2014). Thus, makes it imperative to link EO and MO to determine WSMB performance, especially in developing and under developed economies where women-owned businesses are on the rise.

Narver *et al.,* (2004) together with Baker and Sinkula (2009) argued that MO must harmonize by EO or vice versa; aligning the dimensions of MO and EO in this study posits that MO and EO jointly would lead to the emergence of strong depiction of WSMB performance (Zhou *et al.,* 2005). Several studies have detailed the correlation between these two strategic orientation constructs, but none of these studies centred on aligned effect of EO and MO using SDR as moderator to model the business growth of WSME. To fill the gap in literature, this research posits that MO lead to sales growth provided that WSMB are entrepreneurial (EO) and swift in responding to environmental conditions (Covin *et al.,* 2006; Baker and Sinkula, 2009). The discussed conceptual relationships are depicted in figure 1.

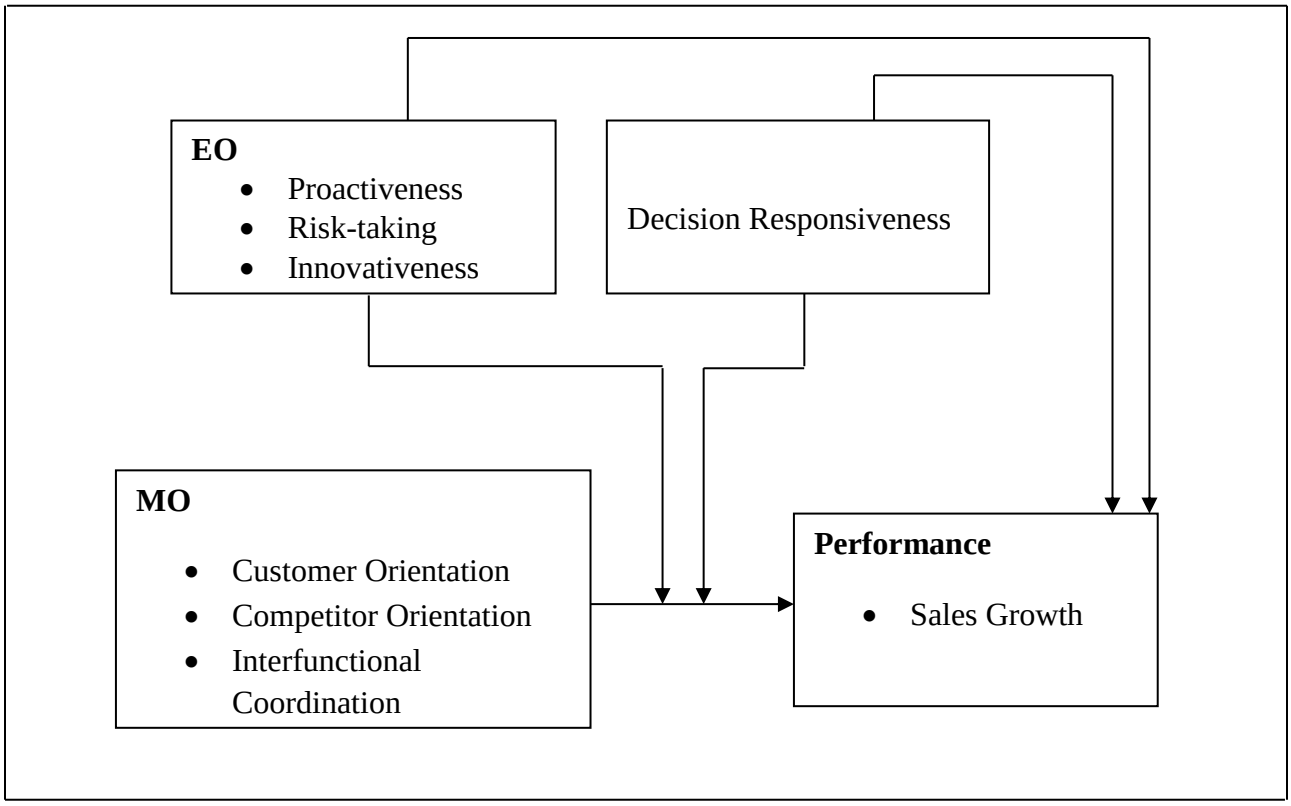

Figure 1: Theoretical Model
Market Orientation (MO); Entrepreneurial Orientation (EO)

3.1 MO and WSMB Performance

MO is conceptualized as organizational culture, which efficaciously generates behaviours for the creation of superior value for markets and in return superior performance (Narver and Slater, 1990; Ngo and O'Cass, 2012). Facts indicate that market-oriented firms tend to define more new business opportunities than the non-market oriented firms, which make these firms to stay ahead of the competition and grow in terms of profit and market share (Kotler *et al.,* 2005; Chad *et al.,* 2013). Literature further explicates that all three dimensions of MO influence performance for small and medium sized domestic firms, as reported by Aziz and Yasin (2010) in their research that customer orientation and competitor orientation as components of MO are positively associated to business performance in case of SMB in Malaysia. Though few studies discussed that successful exhibition of MO in SMB depends on firm marketing capabilities (Reijonen and Komppula, 2010), and that most of SMB are not fully capacitated to handle the flow and dissemination of information, thus, are not fully benefited from the adoption of MO.

The recent strategic marketing perspective discusses MO as organizational culture, which efficaciously generates behaviours for the creation of superior value for markets and in return superior performance (Narver and Slater, 1990). This new perspective is not constrained by the functional boundaries of the marketing department, rather involves all functions of business in

the generation of superior value for market (Coviello *et al.,* 2000). This suggests that the absence of formal marketing department in SMB does not mean the absence of MO in SMB, and that marketing is carried out in SMB in their own terms different from traditional perspective (Sciascia *et al.,* 2006). Evidence suggests that the growth gained by SMB in the last couple of decades is a result of being market oriented (Hult and Ketchen, 2001; Baker and Sinkula, 2009). Therefore, it is contended in this research that being market-oriented will result in sales growth for WSMB.

H_1: Higher level of customer orientation will result in higher level of WSMB performance.

H_2: Higher level of competitor orientation will result in higher level of WSMB performance.

H_3: Higher level of interfunctional coordination will result in higher level of WSMB performance.

3.2 EO as Moderator of MO – WSMB Performance

The pitfalls for SMB being merely entrepreneurial generally leads to market malfunction, similarly, being only MO or reactive to market exigencies will limit SMB concern to recognize new opportunities, and be a leader through innovation (Jaworski *et al.,* 2000; Sheth and Sisodia, 1999; Baker and Sinkula, 2009). Matsuno *et al.*,(2002) argue that it is decisive to harmonize EO with MO or vice versa to facilitate the SMB performance, and that positive linkage amid EO and MO may influence the degree to which dimensions of MO are complemented by the dimensions of EO (Blesa and Ripolles, 2003).

Literature illustrates exclusive and integrated influence of EO and MO on performance (Atuahene-Gima and Ko, 2001; Jaworski and Kohli, 1993; Thoumrungroje and Racela, 2013); and suggests that EO may stand as a catalyst to reap benefits from MO when actualized (Becherer and Maurer, 1999; Le Roux and Bengesi, 2014). Harmonization of EO and MO is advantageous for SMB; as business growth is a function of firm pro-action to take risk and hunt opportunities, and is grounded in marketing intelligence. Thus, it is decisive for SMB to maintain a balance between MO and EO for the long term business growth (Eggers et al., 2013). Therefore, it is contended in this research that the dimensions of EO positively moderate the dimensions of MO when linked to WSMB performance. Accordingly it is hypothesized that:

H_4: Innovativeness will positively moderate the dimensions of MO when linked to WSMB performance.

H_5: Proactiveness will positively moderate the dimensions of MO when linked to WSMB performance.

H_6: Risk taking will positively moderate the dimensions of MO when linked to WSMB performance.

3.3 SDR as Moderator of MO - WSMB Performance

SDR is defined as the decision speed to which the firm's major functional and strategic decisions are made through collective or autocratic processes (Baum and Wally, 2003). SDR permits the businesses to quickly adjust and respond to the changes that are taking place in the market to avoid risk and failure (Garrett *et al.,* 2009; Randall *et al.,* 2003). SDR as decision speed is conjectured as moderator for MO – WSMB on the grounds that market dynamism requires firms to be reactive to respond meaningfully to the changing market needs, and be proactive to

innovate (Kraus and Kauranen, 2009; Jiao et al., 2014). The length of decision time is significant for SMB as it correlates directly to the business opportunities that prevail in the market for a limited time period.

Strategic decision making mechanism either participatory or autocratic has embedded advantages and disadvantages; participatory decision making can be arduous and time consuming, the time it requires to reach consensus among the decision makers, certain market opportunities may vanish. Though, it is debated in literature that participatory decisions can be made effective through process adjustments, but generally it is regarded as hurdle to firm strategic decision responsiveness (Eisenhardt, 1990).

Therefore, it is contended that, MO is positively related to WSMB performance, if WSMB are strategically decision responsive. Accordingly, it is hypothesized that
H_7: MO is positively related to performance when WSMB are high on strategic decision responsiveness.

4. Methodology

To test the research hypotheses, this section explicates the research methodology employed in this research.

4.1 Target Population and Data Collection Method

Target population of the study consists of WSMB registered with Chamber of Commerce and Industries (FCCI) and Small and Medium Enterprise Development Authority (SMEDA) in the province of the Punjab, Pakistan. Survey questionnaire was developed based on the established EO, MO and SDR scales. A total of 1950 WSMB were contacted and 909 agreed to participate in the survey (557 manufacturing, 193 services and 158 retail/trade firms). This study made use of the single-informant method as representative of the firm to gather data from WSMBs as MO and EO have established as firm level constructs and reported firmly rooted in organizations (Knight and Cavusgil, 2004).

In WSMB context, CEO, founding or managing entrepreneurs are considered the operational and strategic heads and are deemed the most likely informants because of their level of involvement in the overall running of the firm, accordingly, this research classified founding or managing entrepreneur as key respondent (345 managing directors, 470 CEOs, 94 founding entrepreneurs). Survey method was adopted to seek responses from the federation listed WSMB in the province of the Punjab, Pakistan. Out of 1950 contacted WSMB, 909 participated in the survey (46.61 percent). The average age of WSMB and percentage details of employees are listed in table 1.

Table 1: Profile of Respondent Firms

S.No.	Characteristics of WSMBs	Percentage
1	Age of Firm in Years (average)	9 years
2	Number of Employees	100 percent
	1 – 50	39.1
	51 – 250	60.9

4.2 Measures

All measures used in this study are grounded in literature and adopted with modification to be used in the context of this study. To assess the constructs validity, items across scales were subjected to principal component analysis with varimax rotation, and reliability of the constructs was measured through confirmatory factor analysis. Loadings indicate that the multi-item scales measure independent constructs, supporting the uni-dimensionality of the constructs.

4.2.1 Independent Variable

All three dimensions of MO were measured with a revised version (adjusted for terminology suitable for WSMB) fifteen items, seven-point scale based on scale developed and tested for validity and reliability by Narver and Slater (1990).

4.2.2 Moderating Variables

All three dimensions of EO were measured with a revised version (adjusted for terminology suitable for WSMBs) twelve items, seven-point scale based on the scales developed and tested for validity and reliability by various leading entrepreneurship researchers (Covin and Slevin, 1989, 1991; Khandwalla, 1977; Lumpkin and Dess, 1996; Miller and Friesen, 1982). Of the three dimensions of EO, innovativeness was measured with five items anchored scale developed by Miller and Friesen (1982) and acclimatized for use in small firms by Covin and Slevin (1989). SDR was measured with an adapted five item (adjusted only for terminology suitable for WSMEs), 7-point scale based on the measures developed by Covin *et al.,* (2006). A higher score on this scale signifies a participative decision making patterns.

4.2.3 Dependent Variable

Sales growth is measured by asking respondents to rate their firm position relevant to their competitors on a 7-point scale, where "1" signifies firm sales and sales growth "much lower" compared to its competitors and 7 signify firm sales and sales growth rate compared to its competitors "much higher". The two measures of sales growth solicit respondents to compare firm revenue and growth to their competitors during the last three years in terms of: 1) sales revenue increase or decrease; and 2) sales growth increase or decrease compared to competitors. These measures of sales growth are identical to the subjective measures used by Jones (1996), Kohli *et al.,* (1993) and Narver and Slater (1990).

5. Data Analysis and Results

Data were analyzed using SPSS and AMOS. SPSS was used mainly for data entry, variable scores computation, descriptive statistics, and correlations, while; measurement and structural model were tested using AMOS.

5.1 Construct Validity and Reliability

Measurement model was constructed to test the validity and reliability of the first-order latent constructs by specifying the indicators for each latent construct. Convergent validity was tested through factor loading and average variance extracted scores. Results listed in Table 2 reveal that all the indicators have significant loading scores ($p<0.01$) on their respective parent constructs (loadings ranged from 0.63 to 0.89), and average variance extracted values ranged from 0.50 to 0.76 provided sufficient evidence for convergent validity.

Discriminant validity was tested by obtaining cross loadings of indicators other than their parent constructs. The results of loadings depicted that cross loadings of indicators other than their parent constructs were significantly less than the loadings on their parent constructs, thus supporting the discriminant validity. Robustness of discriminant validity results were obtained by comparing the square root of average variance extracted scores with paired-correlations scores. Results detailed in table 3 depict that scores of square root of average variance extracted are greater than paired-correlation scores, thus, established that latent constructs' measures are different. Finally, reliability of latent constructs was assessed using composite reliability .The composite reliability values ranged from 0.80 to 0.89 are suggestive enough to conclude the items collective strength in measuring the construct.

Table 2: Measurement Model Results for the First-Order Constructs

Constructs	Item	Loading (λ)	AVE	CR
Customer Orientation	We constantly monitor our firm level of commitment and orientation to serving customers	0.80		
	Our firm objectives are driven primarily by customer satisfaction	0.74		
	Our firm strategies are driven by our belief about how we can create greater value for customers	0.78	0.57	0.88
	We measure customer satisfaction systematically and frequently	0.76		
	We give close attention to after-sales service	0.73		
	We target customers where we have an opportunity for competitive advantage	0.73		
Competitor Orientation	Our salespeople regularly share information within our business concerning competitors' strategies	0.75		
	We rapidly respond to competitive actions that	0.74		

	threaten us			
	Our strategy for competitive advantage is based on our understanding of customers' needs	0.63	0.50	0.80
	Top management regularly discusses competitors' strengths and strategies	0.71		
Interfunctional Coordination	CEO / Top manager regularly visit our current and prospective customers	0.79		
	All functions of the business freely communicate information about our successful and unsuccessful customer experiences	0.79		
	All functions of the business are integrated in serving the needs of our target markets	0.76	0.63	0.89
	CEO / Top manager understand how everyone in our business can contribute to creating customer value.	0.83		
	CEO / Top manager share resources among all functions of the business	0.79		
Proactiveness	In dealing with its competitors my firm initiates actions which competitors than respond to	0.82		
	In dealing with its competitors my firm is very often the first business to introduce new products / Services	0.83	0.65	0.85
	CEO/ general managers of my firm favour strong tendency to be ahead of other competitors in introducing novel ideas	0.77		
Risk-Taking	CEO/ general managers of my firm favour strong proclivity for high risk projects	0.84		
	CEO/ general managers of my firm favour bold & wide-ranging acts to achieve the firm's objectives	0.79		
	When confronted with decision-making situations involving uncertainty, my firm adopts a bold and aggressive posture	0.77	0.64	0.88
	CEO/general managers of my firm quickly spends money on potential solutions	0.80		
Innovatinevess	CEO/general managers of my firm favour R&D and Innovativeness	0.83		
	To what extent my firm has added to its line of products/services	0.77		
	To what extent my firm has changed its products/services line quite dramatically	0.69	0.58	0.87
	To what extent my firm prefers to design its own unique new processes and methods of production	0.74		
	CEO/general managers of my firm favour experimentation and original approaches to	0.75		

	problem solving			
Decision Responsiveness	In my firm strategic and operational decisions upshot from collective decision making	0.64		
	Strategic and operational decisions are made by single individuals	0.70		
	All strategic and operational decisions are made with the involvement of all key persons	0.78	0.54	0.85
	Consensus seeking is common and pervasive decision making is strong practices in all functions of the business	0.77		
	Information and power are shared in decision making in all functional areas of the business	0.76		
Sales Growth	Firm sales revenue increase or decrease compared to competitors	0.85		
	Firm sales growth increase or decrease compared to competitors	0.89	0.76	0.86

λ is the standardized factor loading score of each indicator on its parent construct
AVE is the average variance extracted scores
CR is composite reliability

Table 3 : Measurment Model results for Second-Order Contructs

Factors	**Dimesions**	**Loading**	**AVE**	**CR**
Market Orientation	Customer orientation	0.61		
	Competitor orientation		0.68	0.86
		0.97		
	Interfunctional coordination	0.85		
Entrepreneurial Orientation	Proactiveness	0.88		
	Risk-taking		0.64	0.82
		0.38		
	Innovativeness	0.99		

Research framework of this study involved two second-order constructs, therefore, second-order confirmatory analysis was employed for MO and EO. While, First-order latent constructs was specified for the dimensions of MO and EO to run the model. The results revealed that all three dimensions of MO loaded significantly sharing a unique variance of 0.68 to form MO. Similarly, proactiveness and innovativeness loaded significantly on EO, where risk-taking loading was below the cut-off value (0.38). Since risk-taking is considered an important component of entrepreneurial process, therefore was retained for analysis based on the suggestive results of average variance extracted and composite reliability, which supported the reliability and validity of EO construct. Finally, Harmon single test was employed to test the potential harm of method biasness (as data was collected through single source), results revealed that first factor accounted for 25.4% of variance, therefore, concluded that measurement method effects were significant.

5.2 Descriptive Statistics and Correlations

Table 4: Descriptive Statistics, Square Root of AVE and Correlations

	Mean	Std. Deviation	1	2	3	4	5	6	7	8
INNO	4.08	1.13	**0.93**							
PROA	3.98	1.14	.76**	**0.92**						
RSKT	3.91	1.26	.34**	.26**	**0.94**					
CUOR	4.41	1.20	.21**	.22**	.14**	**0.94**				
CMOR	4.26	1.17	.31**	.30**	.16**	.50**	**0.89**			
INF	4.11	1.23	.31**	.27**	.26**	.45**	.71**	**0.94**		
DECR	3.97	1.21	.00	.02	.07	.06	.06	.07*	**0.92**	
SLG	4.62	1.28	.13**	.15**	.14**	.17**	.16**	.12**	.09*	**0.93**

**p<0.001, *p<0.05

Bold values in diagonals are squar root of average variance extracted

1-Innovativeness, 2-Proactiveness, 3-Risk-taking, 4-Customer orientation, 5-Competitor orientation, 6-Interfunctional coordination, 7-Decision Responsiveness, 8-Sales growth

Table 4 details the scores of mean, standard deviation, squared root of average variance extracted and significant correlations among latent constructs.

5.3 Test of Hypotheses

Table 5: Structural Model Results

Paths Tested	**Γ**	**S.E**	**CR**
Market Orientation --> Sales Grwoth	0.12	0.07	2.50
Entrepreneurial Orientation --> Sales Growth	0.11	0.04	2.37
Decision Responsiveness --> Sales Growth	0.08	0.04	2.05
Market Orientation × Entrepreneurial Orientation --> Sales Growth	-0.06	0.04	-1.48
Market Orientation × Decision Responsiveness --> Sales Growth	-0.10	0.04	-2.45

Γ is the standardized path coefficient

S.E is standard error

CR is critical ratio (standard esitimate/standard error) and indication of significance of path coefficient, and value greater than 1.96 indicates that path is significant at 0.05 level or better

Study hypotheses were tested using AMOS and by constructing a structural model. Before specifying the structural relationships, interaction terms of independent and moderator variables were computed using their standardized scores in SPSS. Results detailed in table 5 depicts that all three predictors i.e. MO ($\Gamma = 0.12$, $p<0.05$), EO ($\Gamma = 0.11$, $p<0.05$), and SDR ($\Gamma = 0.08$, $p<0.05$) have significant and positive efefcts on sales growth, and supported the direct effects hypotheses.

Results pertaining to the moderated effects revealed that SDR has significant effect (low or negative score indicates that decision are made in an autocratic way) on the relationship between MO and sales growth ($\Gamma = -0.10$, $p< .05$), whereas, EO did not significantly moderate the MO and sales growth relationship. Finally, the values of model fit indices of structural model detailed in table 6 signifies that structural model has adequate fit.

Table 6: Measurment Model Fit Indices

CMIN/DF	GFI	RMR	CFI	IFI	TLI	RMSEA
2.76	0.89	0.08	0.93	0.92	0.93	0.04

5.4 Results

The underlying theory was tested using SPSS 17. Table 7 presents the results of three dimensions of MO --> sales growth relationship. Table 8 discusses the moderating effect of innovativeness on MO dimesions --> sales growth relationship, and table 9, 10, and 11 explicate the moderating effect of proactiveness, risk-taking and SDR on MO dimesions --> sales growth relationship respectively. To avoid the multicollinearity, the results of moderating effects of EO dimensions (high correlation among EO dimensions), and SDR were computed and reported separately. Results pertaining to the dimensions of MO --> sales growth depict that all three dimesnions of MO are positively related to sales growth, as regression cooefficient of all three dimensions of MO is positive and statistically significant (0.217, 0.202, 0.213 for customer orientation, competitor orientation and interfunctional coordination respectively at p <.001), which proffers significant support to H_1, H_2 and H_3.

Table 7: MO Dimensions - Sales Growth Relationship

Variables	Model R^2	$R^2_{adjusted}$	Model *F*	B
Customer Orientation	0.187	0.179	5.232**	0.217**
Competitor Orientation	0.153	0.151	4.987**	0.202**
Interfunctional Coordination	0.123	0.120	4.654**	0.213**

To evaluate the moderating effect of three dimensions of EO and SDR on the dimensions of MO – sales growth relation, hierarchial regression was used. Table 8 shows that coefficient of interaction term between innovativeness and all three dimensions of MO is positive and significant, though innovativeness turned negative and non-significant (-0.024) when moderated with customer orientation, yet supports H_4 to substaintiate. However, statistics of table 9 proffer evidence to support H_5, as the coefficient of interaction term between proactiveness and all three dimensions of MO is positive and satistically significant.

Table 8: Moderating Effect of Innovativeness on MO Dimensions – Sales Growth Relationship

Variables	Model R^2	$R^2_{adjusted}$	Model *F*	B
Customer Orientation				0.293**
Innovativeness				-0.024
CO x Innovativeness	0.198	0.193	5.127**	0.152**
Competitor Orientation				0.218**
Innovativeness				0.049
COMO x Innovativeness	0.187	0.183	5.013**	0.099*
Interfunctional Coordination				0.219**
Innovativeness				0.026
IFC x Innovativeness	0.133	0.126	4.863**	0.113*

CO, Customer Orientation, COMO., Competitor Orientation, IFC., Interfunctional Coordination, Model R^2 ., Net Variance Explained by the Predictor in Criterion, β., Standardized Beta,, *p <.05. **p <.01

Table 9: Moderating Effect of Proactiveness on MO Dimensions – Sales Growth Relationship

Variables	Model R^2	$R^2_{adjusted}$	Model *F*	B
Customer Orientation				0.301**
Proactiveness				0.108*
CO x Proactiveness	0.189	0.173	5.831**	0.101**
Competitor Orientation				0.292**
Proactiveness				0.169*
COMO x Proactiveness	0.185	0.181	5.612**	0.144**
Interfunctional Coordination				0.296**
Proactiveness				0.126*
IFC x Proactiveness	0.183	0.177	4.939**	0.150**

CO, Customer Orientation, COMO., Competitor Orientation, IFC., Interfunctional Coordination, Model R^2 ., Net Variance Explained by the Predictor in Criterion, β., Standardized Beta
*p <.05
**p <.01

Table 10 reveals that coefficient of interaction term between risk-taking and all three dimensions of MO is positive and satistically significant, though risk-taking direct effect when moderated to all three dimensions of MO is negative, weak and statistically non-significant, but the positive interation term between risk-taking and all three dimensions of MO some how support H_6 to substaintiate.

Table 10: Moderating Effect of Risk-taking on MO Dimensions – Sales Growth Relationship

Variables	Model R^2	$R^2_{adjusted}$	Model *F*	B
Customer Orientation				0.293**
Risk-taking				-0.033
CO x Risk-taking	0.159	0.148	5.627**	0.124*
Competitor Orientation				0.271**
Risk-taking				0.018
COMO x Risk-taking	0.163	0.159	5.129**	0.078*
Interfunctional Coordination				0.251**
Risk-taking				0.000
IFC x Risk-taking	0.177	0.167	4.827**	0.095*

CO, Customer Orientation, COMO., Competitor Orientation, IFC., Interfunctional Coordination, Model R^2 ., Net Variance Explained by the Predictor in Criterion, β., Standardized Beta
*p <.05
**p <.01

Test statistics in table 11 support H_7 otherwise, it was hypothesized that SDR (autocratic decsion making) when moderated on the dimensions of MO have positive impact on WSMB sales growth; statistics reveals that SDR direct effect on sales growth is maximun when decisions are made in an autocratic way (negative beta), but when interacted with the dimensions of MO, interaction term between SDR and all three dimensions of MO suggest otherwise; that interaction effect of all three dimensions of MO and SDR on WSMB sales growth is maximum when decsions are made through consensus (positive beta), as argued by Covin *et al.*, (2006) that low score on the scale suggest that decisions are the results of autocratic decision process.

Table 11: Moderating Effect of SDR on MO Dimensions – Sales Growth Relationship

Variables	Model R^2	$R^2_{adjusted}$	Model *F*	B
Customer Orientation				0.323**
SDR				-0.098**
CO x SDR	0.198	0.188	5.767**	0.096**
Competitor Orientation				0.371**
SDR				-0.100**
COMO x SDR	0.195	0.189	5.729**	0.096**
Interfunctional Coordination				0.351**
SDR				-0.104**
IFC x SDR	0.190	0.187	4.971**	0.110**

CO, Customer Orientation, COMO., Competitor Orientation, IFC., Interfunctional Coordination, SDR., Strategic Decision Responsiveness, Model R^2., Net Variance Explained by the Predictor in Criterion, β., Standardized Beta

*p <.05

**p <.01

6. Discussion and Conclusion

The results of this study offer interesting implications for the understanding of the theory of women-owed small and medium sized business growth and development. This study proposes that MO and EO singularly and jointly reinforce the business growth of WSMB. First; the results suggest that the adoption of MO and EO is valuable for WSMB in countries like Pakistan. Second; its profitable for WSMB in Pakistan to invest in these strategic orientations simultaneously. However, WSMB must maintain a balance between MO and EO for long-term grwoth (Lumpkin and Dess, 1996; Bhuian *et al.*, 2005; Clercqa *et al.*, 2010). Third; the results support the theoretical model of the study that positive influence of MO dimensions coerce WSMB to comply to the emerging market needs to glom on to superior performance. This finding remains consistent with the literature, which suggest that all three dimensions of MO contribute to the sales growth of SMB (Baker and Sinkula, 2005; Kara *et al.,* 2005; Li *et al.,* 2008; Kumar *et al.,* 2011). Fourth; results suggest that harmonization amid MO and EO is substantial for WSMB, as business growth is a function of firm pro-action to take risk and hunt opportunities based on the grounded marketing intelligence. Results of the study maintain the prevailing conjecture that all dimensions of EO significantly moderate the MO dimensions – sales growth relationship. Though innovativeness direct effect on sales growth is negative when moderated on customer orientation (dimension of MO), but the positive and significant interaction between innovativeness and customer orientation are in line with the findings of (Atuahene-Gima and Ko, 2001). Similarly, proactiveness positively moderated all three dimensions of MO and reinforces the findings of (Atuahene-Gima and Ko, 2001; Salter and Narver, 1995), that proactiveness together with MO accentuates performance. However, risk-taking singular effect on WSMB sales growth is negative (-0.033) when interacted with customer

orientation, but interaction term between risk-taking and all three dimensions of MO remained positive and statistically significant and are in line with the findings of Li *et al.*, (2008) that risk-taking may prove expensive for WSMB, but remain fruitful when aligned with MO. Finally, results pertaining to the moderting effect of SDR on the dimensions of MO – sales growth relationship reveal that the effects of the dimensions of MO on WSMB sales growth is dependent on SDR. The observed moderating effect of SDR commensurate with the results of the study conducted by (Covin *et al.*, 2006). The positive and significant interaction term coefficent between SDR and all three dimensions of MO suggest that all three dimensions of MO positively influence the WSMB sales growth when decisions stems from consensus decision process, but the singular effect of SDR suggests otherwise. Inshort, both high and low strategic decision responsiveness formulate conflicting mix of WSMB conditions when interated with the dimensions of MO or having its own unique impact of WSMB growth.

7. Limitations and Insinuations for Future Research

Results of this study are context-specific and may be extended discreetly to other similar and different contexts. Furthermore, this study is based on cross sectional data, which does not permit causal construe amid factors. Notwithstanding with the limitations of the study, it is strongly believed that the issues touched in this study leads to the accession of several questions and may galvanize debate for future research.

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