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Theorizing on entrepreneurial orientation in international business: A synthetic review

Vijay Narayanan

Cracow University of Economics
Faculty of Economics and International Relations
Doctoral Studies Programme in Economics, Finance and Management
ul. Rakowicka 27, 31-510 Kraków, Poland
e-mail: prvijayan@gmail.com

Abstract:

Both, entrepreneurship and international business have been topics of interest for academicians, businessmen and policy-makers around the world. Now it is obvious that entrepreneurs also do business internationally. International entrepreneurship is still a new research domain within international business studies and current empirical investigations focus on entrepreneurial orientation while internationalizing. The main objective of the paper is to discuss the concept of the international entrepreneurial orientation, by linking entrepreneurial orientation and internationalisation of the firm. The article is based on in-depth literature review and its critics.

Keywords: international entrepreneurship, entrepreneurial orientation, internationalization, international business

JEL codes: F23, L20

1. INTRODUCTION

The global business environment has changed drastically in the last years. The traditional markets were predominantly dominated by larger companies and SMEs were more focussed on regional and domestic markets. This has changed substantially because of the reduction in trade barriers, improvements in technology, logistics and communication. This has enabled even for the smallest players to participate in global competition (Naisbitt, 1995). One major change coming out of these changes is the change in management and competitive strategies of both large and small firms (Wright & Dana, 2003; Narayanan 2015b).

The main objective of the paper is to discuss the concept of the international entrepreneurial orientation, by linking entrepreneurial orientation and internationalisation of the firm. The article is based on in-depth literature review and its critics. The article consists of three sections. The first section discusses the roots

and basics of international entrepreneurship. The second section includes theoretical conceptualisation of entrepreneurial orientation. The last section tries to link entrepreneurial orientation and internationalisation.

2. BASICS OF INTERNATIONAL ENTREPRENEURSHIP

Both, entrepreneurship and international business have been topics of interest for academicians, businessmen and policy-makers around the world. Now it is obvious that entrepreneurs also do business internationally. Still both topics (entrepreneurship and international business) have not been so frequently studied together. International business has primarily been focused on studies of large multinational companies (MNCs). Entrepreneurship has had its focus on new ventures and SMEs (Narayanan, 2015a). However in recent years this trend has seen a decline and both these topics of entrepreneurship and international business are studied together (Oviatt & McDougall, 2000). The roots of international entrepreneurship (IE) can be traced back to the 1994 article written by Oviatt and McDougall which predominantly focused on small and medium scale ventures and their path to internationalisation. Studies done in the later years moved away from the focus on small ventures and tried to conceive IE from a generalized and broad range. This change in focus was seen in Oviatt and McDougall's 1997 and 2000 studies which moved away from the focus on the size of firm and age of the firm. In 2003, the definition of IE changed again with focus being opportunity recognition that brought IE more towards entrepreneurship paradigm (Keupp & Gassmann, 2009). Based on Oviatt and McDougall (2005), Kiss *et al.*, (2012) defined international entrepreneurship as "the discovery, enactment, evaluation, and exploitation of opportunities across national borders to create future goods and services". They further define international entrepreneurship as an amalgamation of two branches of studies namely "behaviour of international entrepreneur actors namely organisations, groups or individuals and comparative analysis of entrepreneurship based on different national parameters" (Kiss, Danis & Cauvsgil, 2012). According to Young *et al.*, (2003), IE has been to a great extent influenced by two research views: (i) research based view which considers key factors that contributes to enhanced performance of firms and (ii) network perspective that discusses about alliance formation in international activities (Young & Dimitratos, 2003). Continued research in the past two decades have helped in developing IE on many perspectives like international business (IB), entrepreneurship, strategic management, network and marketing (Peiris, Akoorie & Sinha, 2012). As per Oviatt & McDougall (2000) and McDougall-Covin *et al.*, (2014), IE is not only an intersection of two business disciplines namely economics and management, but also form non-business fields "as diverse as sociology, economic geography, political science, development economics, and psychology" (Wach, 2015).

IE is primarily concerned with research in the fields of international business, entrepreneurship and strategic management (Wright & Ricks, 1994; Zahra *et al.*, 1999; Hitt & Ireland, 2000; Young & Dimitratos, 2003). International entrepreneurship as defined by McDougall-Covin *et al.*, 2014 is a cross functional study of entrepreneurship and international business. Zucchella & Sciabini (2007) added one

more perspective in the study by showing international entrepreneurship as a three faced study of entrepreneurship, international business and strategic management. Strategic entrepreneurship (Figure 1) is also defined in both strategic management as well as entrepreneurship (Wach & Wehrmann, 2014).



Figure 1. International entrepreneurship as the amalgamation of three fields

Source: Wach (2014, p. 12) adapted from Zucchella & Sciabini (2007, p. 22).

In an attempt to provide an integrated and holistic model to IE, Peiris *et al.*, (2012) developed a unified framework depicting the effects of industry, market and competitive forces. Keupp and Gassmann in their study in 2009 on IE, explain it as a function of four branches of research namely:

1. Entrepreneurship,
2. Strategy,
3. International business,
4. Technology and innovation management.

They found that there existed gaps in knowledge and theoretical understanding within international entrepreneurship (Keupp & Gassmann, 2009) such as:

1. Differing viewpoints on what entrepreneurial component supported internationalisation.
2. Contradicting reasons why quick and rapid internationalisation is possible.
3. Knowledge gaps because of primary focus being on SMEs.

4. Knowledge gaps because of the overlapping of international business and entrepreneurship theory.

Based on prior research IE theory can be investigated into three basic elements such as (i) the entrepreneur, (ii) the external business environment and (iii) the entrepreneurial process (Coviello *et al.*, 2011; Wach, 2012; Wach, 2015).

3. THEORETICAL CONCEPTUALISATION OF ENTREPRENEURIAL ORIENTATION

Entrepreneurship is defined as an act of a new entry. The new entry can be either an entry to a new market or to an existing market with a new product or service. Entrepreneurial orientation (EO) is primarily identified as the process, practices and decision making actions that had led to the development of the new entry (Lumpkin & Dess, 1996). The roots of entrepreneurial orientation that explain a firm's entrepreneurial and strategic intent can be traced back to the early works of Khandwalla (1977) and Mintzberg (1979). The works of these scholars help us to understand the difficulties of the external environment in which a firm acts and the difficulties the strategy makers face within the firm. Miller (1983) in his study defined an entrepreneurial firm as "engages in product market innovation, undertakes somewhat risky ventures". He was the first to coin the statement "pro-active' innovations, beating competitors to the punch". These definitions were the first in the direction of providing a unified definition of EO (Etemad, 2015). Miller linked EO to strategy making emphasizing that firms that are entrepreneurial are more aggressive, aspire for more innovation and undertake a certain amount of risk when they seek opportunities. Firms can be classified as entrepreneurial and conservative based on their EO. This can be characterised by how they make their decisions, their managerial philosophy and their strategic behaviours that align with entrepreneurial thinking. Entrepreneurial nature can be best described by three attributes such as (i) innovativeness, (ii) pro-activeness and (iii) risk taking. Though research scholars debate on the definitions and implementations of EO, it is generally seen that firms with higher degree of EO outperform conservative firms (Anderson, Kreiser, Kuratko, Hornsby & Eshima, 2015). The relevance of EO is that it can be measured at firm level across industries and cultures thus making comparative studies possible (Covin & Miller, 2014). As such the term entrepreneurship is a term that is ambiguous in nature and is multi-faceted term. But in general and broader sense the term entrepreneurship is understood as entrepreneurial orientation. This has helped us to use the concepts of entrepreneurship theory in international business. The literature identifies two schools of thought when we discuss firm level entrepreneurship namely (i) entrepreneurial orientation (EO) and (ii) corporate entrepreneurship (CE). Some authors identify EO as potential intentions and attitudes of the firm and CE as the actual entrepreneurial activities done by the firm. Some authors believe that these two constructs actually complement each other (Wach, 2015).

EO explains how the firm acts strategically to collect competitive advantage. The difference between EO and other theories of entrepreneurship is that EO focuses on the firm level processes. The earlier theories focused on individual level

variables (Rauch & Frese, 2009). Many authors have provided their definition of EO and have tried to provide a framework for it. Most of them have agreed on one aspect at least that EO is to be treated as firm level phenomena (Wach, 2015).

EO being addressed as firm level phenomena has its practical implications as it has been found to affect firm performance thus making it vital for the firm's success (Vora, Vora & Polley, 2012). Table 1 shows a selected list of definitions of EO.

Table 1. Selected past definitions of (or pertaining to) entrepreneurial orientation

Authors	Definition of EO
Mintzberg (1973)	"In the entrepreneurial mode, strategy-making is dominated by the active search for new opportunities" as well as "dramatic leaps forward in the face of uncertainty" (p. 45).
Khandwalla (1976/1977)	"The entrepreneurial [management] style is characterized by bold, risky, aggressive decision-making" (p. 25).
Miller & Friesen (1982)	The entrepreneurial model applies to firms that innovate boldly and regularly while taking considerable risks in their product-market strategies" (p. 5).
Miller (1983)	"An entrepreneurial firm is one that engages in product-market innovation, undertakes somewhat risky ventures, and is first to come up with 'proactive' innovations, beating competitors to the punch" (p. 771).
Morris & Paul (1987)	"An entrepreneurial firm is one with decision-making norms that emphasize proactive, innovative strategies that contain an element of risk" (p. 249).
Covin & Slevin (1998)	"Entrepreneurial firms are those in which the top managers have entrepreneurial management styles, as evidenced by the firms' strategic decisions and operating management philosophies. Non-entrepreneurial or conservative firms are those in which the top management style is decidedly risk-averse, non-innovative, and passive or reactive" (p. 218).
Merz & Sauber (1995)	". . . entrepreneurial orientation is defined as the firm's degree of proactiveness (aggressiveness) in its chosen product-market unit (PMU) and its willingness to innovate and create new offerings" (p. 554)
Lumpkin & Dess (1996)	"EO refers to the processes, practices, and decision-making activities that lead to new entry" as characterized by one, or more of the following dimensions: "a propensity to act autonomously, a willingness to innovate and take-risks, and a tendency to be aggressive toward competitors and proactive relative to marketplace opportunities" (pp. 136-137)
Zahra & Neubaum (1998)	EO is "the sum total of a firm's radical innovation, proactive strategic action, and risk taking activities that are manifested in support of projects with uncertain outcomes" (p. 124)
Voss, Voss, & Moorman (2005)	"...wedefine EO as a firm-level disposition to engage in behaviors [reflecting risk-taking, innovativeness, proactiveness, autonomy, and competitive aggressiveness] that lead to change in the organization or marketplace" (p. 1134, [] added).
Avlonitis and Salavou (2007)	"EO constitutes an organizational phenomenon that reflects a managerial capability by which firms embark on proactive and aggressive initiatives to alter the competitive scene to their advantage" (p. 567)
Cools & Van den Broeck (2007/2008)	"Entrepreneurial orientation (EO) refers to the top management's strategy in relation to innovativeness, proactiveness, and risk taking" (p. 27).
Pearce, Fritz, & Davis (2010)	"An EO is conceptualized as a set of distinct but related behaviors that have the qualities of innovativeness, proactiveness, competitive aggressiveness, risk taking, and autonomy" (p. 219).

Source: Covin & Wales (2011, p. 679).

Empirical studies done in countries like the United States, China, Thailand, Vietnam, indicate that EO is positively correlated to firm performance. It would make sense for firms to understand the characteristics of the firm that promotes EO. Covin and Slevin (1991) study indicate that EO is made up of the firm's organisational culture. This study makes a valid point that the organisational culture is made up of attitudes and behaviours of individuals that are shared across the organisation (Engelen, Flatten, Thalmann & Bretteel, 2014). However, the expression of EO having a positive relationship with firm performance has had mixed results in empirical studies. Results have shown that EO on performance has varied depending on the type of external environment the firm has been exposed to. Also, it has been found that entrepreneurial strategies need financial resources to be successful (Wiklund & Shepherd, 2005). In today's competitive world, EO is getting important irrespective of the nature, size, age or industry sector to which the firm belongs to. In a study based on 310 service firms from Austria, it was found that there existed a clear influence of EO on the corporate performance of the firms. It was also seen that of the different dimensions of EO, innovative behaviour was identified as the most important sub-dimension (Karus, 2013). Firms that possess a high degree of EO come up with innovative ideas frequently, take risks and act in a proactive way when presented with opportunities. Thus EO can be summed up as the process of getting a competitive advantage by looking out for new possibilities, pushing for demands in an aggressive and proactive way, risk taking ability and bringing out new and innovative products in the market (Lumpkin & Dess, 1996; Rauch & Frese, 2009). EO is generally classified as whose decision making styles have proactive, risk taking and innovative. Along with these characteristics, the other important contributors include the environment in which the firm operates in (external) and the organisational values (internal) play a significant role especially the external factors. External environment is a source of uncertainty as well as an option for new possibilities for the firm (Cruz & Nordqvist, 2012). Firms that exhibit EO characteristics come up with innovative products and often get the first mover advantage or can target premium segments (Engelen, Flatten, Thalmann & Bretteel, 2014). In a study in 2001, Lumpkin and Dess attempted to find the relationship between the two dimensional constructs of pro-activeness and competitive aggressiveness. There has been a debate among scholars that both of these constructs are similar. This study proved otherwise. As a part of the study, 124 executives were interviewed from 96 firms. It was found that both constructs were distinct and played different roles. For the success of firms in a nascent stage, pro-activeness played an important role. Competitive aggressiveness on the other hand was an important strategy for firms that were more matured and had to fight of fierce competition for survival (Lumpkin & Dess, 2001).

In explaining the concept of EO, Miller (1983) and later on, Covin & Slevin (1989) came up with a three dimensional concept that explained the qualities of EO namely (i) proactive, (ii) innovative, (iii) and risk taking characteristics of the firm. Lumpkin and Dess (1996) added two more, which are (iv) competitive aggressiveness

and (v) autonomy to the above three qualities and proposed a five quality multidimensional construct. In practice, researchers still tend to use the three dimensional construct as against the multidimensional. The same can be explained by Table 2 (Wach, 2015).

Table 2. The construct of EO

No.	Basic Dimensions	Composite Qualities
Three-dimensional construct of EO		
1	Pro-activeness	- predicting future market changes (Rauch <i>et al.</i> , 2009) - opportunity creation vs. opportunity identification (Sundqvist, Kylaheiko & Kuivalainen, 2012; Covin & Slevin, 1989)
2	Innovativeness	- openness to new ideas (Frishammar & Horte, 2007) - process and product creativity (Dess & Lumpkin, 2005) - pursuit of creative or novel solutions (Knight, 2001)
3	Risk taking	- decisions in uncertainty (Dess & Lumpkin, 2005) - implementation of projects entailing significant chances of costly failure (Davis <i>et al.</i> , 1991; Khandwalla, 1977; Miller & Friesen, 1984)
Multi-dimensional Construct of EO		
4	Competitive aggressiveness	- competitive advantage over competitors (Dess & Lumpkin, 2005) - aggressive posturing relative to competitors (Knight, 2001)
5	Autonomy	- independent human activities (Dess & Lumpkin, 2005) - self-acting (Lumpkin & Dess, 1996)

Source: Wach (2015, p. 16).

EO in principle addresses to the process of making new entries to markets or bringing new products to existing markets. The primary EO dimensions that are defined in the literature like pro-activeness, innovativeness, risk taking, competitive aggressiveness and autonomy may be exhibited by the firm while making a new entry. It can also be possible that for successful entry only some of these factors may be present. The reason for this may be because of the interaction between the EO dimensions with the internal and external factors in which the firm conducts the business (Lumpkin & Dess, 1996).

Competitive aggressiveness can be expressed as the aggressive stand a firm takes against its competition in an intensive market situation. This combative posture is done to wade of competition either to survive or to dominate the market (Lyon, Lumpkin, Dess, 2000). According to Hughes and Morgan (2007) competitive aggressiveness is the effort the firm puts to outdo and out-manoeuvre their competitors (Hughes & Morgan, 2007). Competitive aggressiveness also represents the high intensity and aggressive posture new entrants more often need to display when facing the competition from existing rivals (Lumpkin & Dess, 1996). From the perspective of new entrants, competitive aggressiveness is an important EO dimension because new entrants are much more likely to fail than mature and established businesses. Thus for new startups, taking an aggressive stand and intensifying the competition is essential for survival (Lee & Peterson, 2001).

Innovativeness refers to the trait of coming up with new ideas and indulgence in experimentation and striving for technological leadership in both products and

processes. Such traits help the firm to get first mover advantage and/or target premium segments (Lyon, Lumpkin, Dess, 2000). Innovativeness also captures the bias the firm has towards experimentation and development of new products and processes (Hughes & Morgan, 2007). According to Schumpeter (1942), wealth is created in a market when the existing structure is disturbed by launching new products or services. For family firms, innovativeness is the key for long term survival of the firm. It is also seen that new and younger firms have a higher urge to innovate than established firms (Zellweger & Sieger, 2012).

Pro-activeness refers to the ability to anticipate future possibilities and threats alike and start taking actions either to exploit opportunities or prevent failures and threats (Lyon, Lumpkin, Dess, 2000). In order to establish and sustain in international markets, firms must act in a proactive way so as to find opportunities in different markets. This also includes making bold decisions as to launching new products or services often providing the firm with the first mover advantage. Ideally such proactive firms actively search for foreign markets so that they have a higher spread in the international markets compared to its competition. Being highly proactive comes with a cost. Firms need to collect specific market knowledge, information about customers, suppliers and partners and all this involves money (Dai, Maksimov, Gilbert & Fernhaber, 2014).

Risk taking attribute of the firm would mean taking high risks like borrowing heavily or committing a huge amount of resources on projects with unclear outcomes (Lyon, Lumpkin, Dess, 2000). Risk taking dimension shows the ability of the manager to take considerable risk with the intention to pursue a potential opportunity with reasonable possibility of attaining the desired goals at the same time when there exists a possibility for a costly failure. The essence in defining entrepreneurship is the ability to find undiscovered opportunities and to take risks to convert those opportunities to successful ventures. The amount of risks an entrepreneur faces in an international environment is multitude when compared to the domestic market. This is also clear that the firms that take risks only realize the dream of internationalisation (Zhang, Ma & Wang, 2012).

Autonomy means encouraging teams or individuals to come up with and establish new ideas, concepts or visions (Lyon, Lumpkin, Dess, 2000). The history of firm level entrepreneurship is made of events of self-determined pioneers who have pursued new, novel or better ideas and have made a business case for it. In general, entrepreneurship has grown and prospered because of the independently thinking individuals who have left the shores of safety and comfort in the search of finding and promoting new ideas or new ventures. The same thing can be seen within organisations also. The freedom given to individuals to pursue and champion ideas is the key driver for firm level entrepreneurship and this freedom to pursue ideas is often referred as autonomy (Lumpkin & Dess, 1996). Van Dooran *et al.*, investigated the effect of senior team of a firm on EO and its relationship with firm performance. It was found that senior team provides the heterogeneity needed and help in the screening process and selection of initiatives. They also serve as guides for

the EO process to prosper thus fulfilling the autonomy dimension (Van Doorn, Jansen, Bosch & Volberda, 2013).

4. LINKING ENTREPRENEURIAL ORIENTATION AND INTERNATIONALISATION

Firms normally expand their international scope through their entrepreneurial actions which basically stem out of EO. Based on past researches, EO is said to have an impact in international learning, speed of entry and firm performance (Dai, Maksimov, Gilbert & Fernhaber, 2014). According to Wach (2015), the internationalisation process of the firm is further intensified and accelerated through entrepreneurial orientation (Wach, 2015). It is difficult to predict future benefits based on current strategies and decisions. Firms should proactively take up EO in terms of doing innovations so that it can counter act against reduction of product life cycle and stone wall the efforts of the competition. Such policies involve risk and risk taking may provide the firm opportunities to perform and enhancing the firms to face competition and ultimately provide a positive impact on the performance (Etemad, 2015). Oviatt and McDougall (1995) indicate that internationalisation is actually triggered by the entrepreneur in the process identifying new business opportunities obtained through relationship building and social networking. Thus internationalisation itself can be viewed as an entrepreneurial action (Zhang, Ma & Wang, 2012). EO was initially designed to explain the entrepreneurial behaviour of a firm more from a domestic environment perspective. Covin and Slevin (1991) & Miller (1983) suggested that before coming up with new innovations, products or expansion activities into new markets, the firms should possess entrepreneurial capabilities. Further studies by many authors have found out that EO has a strong positive influence on firm performance. It is also seen that EO capabilities are more important for SMEs compared to larger firms as SMEs have limited financial capability, technical and managerial resources (Brouthers, Nakos & Dimitratos, 2014). Evidence of entrepreneurial culture influencing internationalisation has been in seen in studies relating to international new ventures, born globals, SMEs etc. It has been seen that the earlier the firms acquire entrepreneurial orientation; the entrepreneurial culture that develops positively influences the firm's internationalisation intent. This allows the firm to be more capable and willing to pursue international opportunities (Rajshekar, Javalgi & Todd, 2011). There is a huge amount of literature showing positive support to entrepreneurship on the growth of firms. The important question however is there enough empirical support to show that the relationship actually exists (Kraus, 2013). Wach (2015) developed the relationship between the dimensions of EO, decision making process and international performance.

According to Williams *et al.*, MNCs in pursuing EO apply two kinds of strategies. The first of these is R&D specific building long term know-how. The other strategy is in the form of investments that help in asset growth. The former is for long term initiative and the latter is for short term initiative. Pursing either strategy

will involve in applying the same principles namely identifying the potential, evaluating the risk and exploiting the opportunity. Both strategies may involve considerable risk and may take the firm into uncharted territories and put them ahead of competition. Aggressive (R&D) MNCs will deploy more resources in innovation where as Aggressive (Asset) MNCs will deploy more resources in gaining external advantage that gives the firm a competitive advantage (like networking). The most aggressive firms (both R&D and Asset) will allocate higher amounts of resources in both R&D as well as assets growth to maximize the risk (Williams & Lee, 2009). Internationalisation itself is often referred to as an entrepreneurial act and has seen a huge surge especially among SMEs. It is also seen that SMEs with higher EO have shown a better export performance (Taylor, 2013).

Taylor (2013) proposed that the relationship between EO and internationalisation is positive and is moderated by the domestic market environment in which the firm is located. This can also be viewed as internationalisation providing viable survival and growth possibilities to SMEs in developing nations to grow by exporting and increasing their market share (Taylor, 2013). It is often seen that entrepreneurial SMEs face resource constraints compared to MNCs. To overcome resource constraints and foreign liabilities and to improve their international performance, SMEs to utilize higher levels of EO or by forming international alliance or both. It is suggested that alliance formation will greatly benefit both partners (Brouthers, Nakos & Dimitratos, 2014) Selected empirical studies done on establishing EO's relationship to internationalisation are tabulated below show a wide variety of themes addressed including both small and large scale enterprises (Table 3).

5. CONCLUSIONS

It is seen that at the moment IE is positioned as a multidisciplinary study with studies ranging from International Business, Strategic Management, Entrepreneurship, Marketing etc., as well as non-management fields like sociology, economic geography, political science, development economics, and psychology. It is also seen that IE is slowly evolving into an individual research field of its own. A literature review of selected papers published in the recent years show that IE is researched under a variety of topics like influence of social networks, emerging economics geographical distance, family owned businesses, effect of corruption etc. EO is studied as a subset of IE. EO is measured as a uni- or multidimensional variable. The constructs that define EO include pro-activeness, innovativeness, competitive aggressiveness, autonomy and risk taking. Effects of EO are studied both for LSE as well as SMEs though a look through the available literature shows heavy focus on SMEs due to the fact that decades of research on entrepreneurship was dedicated

Table 3. Selected list of literature review on relationship between EO and Internationalisation

Author	Research Sample	Typology	Explanation
Jantunen, Puumalainen, Saarenketo & Kylaheiko (2005)	Empirical study done on data from 217 manufacturing and service organisations.	The authors examine the relationship between EO and the firms reconfiguration capabilities have on internationalisation.	The authors found that EO along with the ability of the firm to have new assets configuring capability has a positive influence to international performance. This confirms that the dynamic capability of the firm is needed to take advantage of new opportunities by orchestrating changes.
Mostafa, Wheeler & Jones (2006)	Empirical study done on 158 manufacturing firms from United Kingdom.	This paper investigates the relationship between EO and internet usage for export among SMEs.	A study on the relationship of EO and commitment to the use of internet has on performance found that entrepreneurs with higher degree of EO tend to use internet to develop an export market for their products and services. It was found that such entrepreneurs also commit more resources to internet use and use it as a medium to contact customers and suppliers. It was also found that internet is also used to find out competitors. Such firms also use websites to market their firm as well as products. Export growth was also found to be higher for higher EO firms compared to less EO firms. This also proves that higher EO results in increased export growth and financial performance of firms and finally internationalisation.
Melia, Boulard & Peinado (2007)	Empirical analysis done on 155 Spanish firms.	The authors explore if internationalised firms develop EO compared to non-internationalised firms. Also, evidence for influence of EO on rapid internationalisation is explored.	The study found empirical evidence that firms that are already internationalised develop EO. It was also seen that EO positively influences rapid internationalisation of firms.
Kropp, Lindsay & Shoham (2007)	Empirical study done on sample data from 539 individuals from internationally focused firms from South Africa.	The authors examine the relationship between EO along with key demographic characteristics like age, education and gender of entrepreneurs in the start-up decision of international entrepreneurial business ventures (IEBVs).	The study found empirical evidence that risk taking and pro-activeness played an important role in establishment of IEBVs. It was also observed that innovativeness does not play a significant role on the decision making point for setting up of IEBVs.
Williams & Lee (2009)	Analysis was done on form level characteristics from 10-K filings. The sample list was taken from the Financial Times Global list of top 500 companies sorted by market capitalization.	This study analyses the EO of MNCs. The authors propose two dimensions of R&D and asset growth for analyzing EO. The two dimensions provide three strategies of 1. aggressive R&D, 2. aggressive asset growth and 3. balanced approach.	The results from the study show that smaller and less internationalized MNCs take a much aggressive approach when compared to highly internationalized who tend to take a much conservative approach. Knowledge management will be the key for MNCs. It was also seen that younger top management is likely to take higher risks and will take a more partnership approach. In case of highly internationalized MNCs top management taking an aggressive stand will be counterproductive as they may end up in saturating the knowledge base resulting in a diversity of opportunities that may become too difficult to handle.

Zhang, Ma & Wang (2012)	Empirical research conducted on data collected through survey from 117 Chinese SMEs during 2011 and early 2012	This study evaluates the effects of EO and social capital theory in facilitating internationalisation of Chinese SMEs.	The study found out that the different dimensions of EO in combination with different forms of social capital theory produce different influence. It was seen that pro-activeness and risk taking dimensions along with the different sources of social capitals have a positive influence in the internationalisation of the Chinese SMEs. It was also seen that innovativeness and political ties do not play an important role in internationalisation.
Basile (2012)	Empirical analysis of 71 SMEs from Sicilian area.	This paper analyses the factors affecting EO by the perspective of risk taking behavior of SMES in their attempt to internationalize. The author also checks the relationship between EO to internationalize.	Then study found positive relationship between EO and internationalisation. It was also seen that external environment factors like logistics and transportation play a vital role in providing firms with competitiveness. Internationalisation is likely to further grow not just for large scale firms but also SMEs as both of them compete for space in the international market, especially SMEs. It is also important for governmental and policy makers as SMEs growth internationally will help in improving the employment situation.
Dai, Maksimov, Gilbert & Fernhaber (2014)	Empirical analysis done on 500 SMEs from different industries.	The authors explore the relationship between the dimensions of EO namely pro-activeness, innovativeness and risk-taking and what effect it has on the scope of internationalisation of SMEs	The authors found that both high and low degrees of innovativeness and pro-activeness increase the scope of the firm's internationalisation. Moderate scale of these two dimensions has shown to negatively impact the scope of internationalisation and the firms start retracting from committed markets. On the contrary it was seen that with risk taking, moderate scale has a larger impact on international success and score compared to low and high values.
Dimitratos, Liouka, Young (2014)	Empirical analysis of 260 subsidiary firms located in the UK.	The authors investigate the EO of MNC subsidiaries compared to individual firms.	The authors analysed subsidiary EO of MNCs and found that local knowledge of subsidiaries can be useful for the MNCs that are traditionally dominated by the parent organisation. The study also points out those subsidiaries entrepreneurial activities can serve as an advantage for the MNCs though the level of entrepreneurship in a subsidiary firm will be lower than an independent firm because of the control from the headquarter. The EO measuring construct include dimensions like innovativeness, risk-taking, pro-activeness, learning, intra-multinational networking, extra-multinational networking and autonomy.
Rodríguez, Moreno, Tejada (2015)	Empirical research conducted on data collected through survey from 1,122 Spanish SMEs during 2011 and early 2012.	This paper analyses the source of competitiveness of SMEs in the service industry.	The study identifies that the competitive success of the Spanish SMEs belonging to the service industry is due to the macroeconomic and social factors that primarily address the intrinsic characteristics of the firms. It was also found that there exist substantial differences in competitiveness among different industries supporting a macroeconomic approach. On the other hand statistical evidence suggests that among the different companies, performance varied showing that they were dependent on the combination of the resources as well as capabilities of each firm.

Source: Own study.

to the SMEs. Like in the case of IE, the definition of EO has changed and refined over time. Though multiple definitions exist EO is primarily seen as a firm level behaviour. The measurement of EO is done along the lines defined by Miller (1983) and Covin and Slevin (1989) and or Lumpkin and Dess (1996) with the help of a seven point Likert's scale. Decades of research has laid a strong theoretical foundation linking EO to firm performance. It has been seen that this is true for both LSEs and SMEs. The same can be said in the case of internationalisation. EO increases the propensity of internationalisation. This is seen in the case of SMEs that predominantly export as well as in the case of MNCs that are already internationalized to further expand. The concept that EO propels internationalisation is seen in studies spread across different continents as well as different industry sectors like manufacturing, service industry etc.

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