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Exploring factors influencing SMEs' success: The perspective of entrepreneurial and learning orientations

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Abstract
The primary objective of this study is to explore the intricate relationship between learning orientation, business strategy, and firm performance among small and medium-sized enterprises (SMEs) in Indonesia. By examining the impacts of innovation, proactiveness, and risk-taking on both business strategy and learning orientation, this research aims to shed light on the factors influencing SME success. Surveys were administered to a purposive sample of 300 SMEs in Jakarta and West Java, and data were analyzed using structural equation modeling. The findings indicate that innovation positively influences both business strategy and learning orientation, whereas proactiveness has a minimal impact on business strategy but significantly affects learning orientation. Furthermore, risk-taking emerges as a crucial driver of both business strategy and learning orientation. This study contributes by providing empirical evidence on the significance of entrepreneurial traits in shaping SME performance and offers practical insights for enhancing organizational sustainability and growth in the Indonesian business context.

Keywords: Innovativeness; proactiveness; learning orientation; business strategy

Introduction

In this competitive landscape, companies are compelled to outperform their rivals by adopting best management practices to enhance performance and productivity (Tallman, 2017). Entrepreneurial orientation (EO) is a critical factor in improving company performance, as highlighted by Wahyuni and Sara (2020). Additionally, learning orientation is essential for advancing high-level generative learning, which is a vital aspect of unique corporate competence (Pratono et al., 2019). This orientation contributes to improved corporate performance, as evidenced by García Cabrera et al. (2023). The discussion underscores the effectiveness of learning orientation in developing new competitive advantages and sustainably enhancing company practices, supported by findings from Cuevas Vargas et al. (2019).

Many past studies have examined EO as a single concept without considering how its individual elements affect company performance. This approach is seen in research by Ferreras Méndez et al. (2021), Isichei et al. (2020), and Vaitoonkiat & Charoensukmongkol (2020). According to the findings of Virglerova et al. (2020), when SMEs effectively utilize their internal resources, proactively adapt to market fluctuations, explore potential opportunities, and embrace risks in initiating new ventures, their overall performance is likely to improve. Thus, the aim of this research is to examine the secondary effects of three components of EO—innovation, proactivity, and risk-taking—on a firm's performance.

Innovation refers to a company's ability to generate new ideas and apply them to products, services, or processes. Innovative capabilities enable companies to remain relevant and competitive in an ever-

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changing market (Bae & Choi, 2021; Isichei et al., 2020). By innovating, companies can meet evolving customer needs and create unique added value (Twum et al., 2021).

Proactiveness is the ability of a company to anticipate and respond to market changes before competitors do. Proactive attitudes allow companies to capitalize on new opportunities and effectively counter market threats (Kallmuenzer & Peters, 2018; Isichei et al., 2020). Proactive companies not only respond to current trends but also create new trends that can provide a competitive advantage (Trieu et al., 2023).

Risk-taking is the willingness of a company to pursue uncertain opportunities. Although risk-taking can bring uncertainty, it can also pave the way for significant growth and innovation (Danso et al., 2016; Ling, 2019). Strategic risk-taking can yield substantial rewards and enable companies to achieve a stronger market position (Sahasranamam & Raman, 2018).

Within the EO framework, Learning Orientation (LO) and Business Strategy can act as mediating variables that strengthen the impact of EO on company performance. Learning Orientation reflects organizational values focused on acquiring, shaping, disseminating, and utilizing knowledge (Alerasoul et al., 2022). LO helps companies improve efficiency and support advanced learning levels, including generative and double-loop learning (Li et al., 2021). By adopting LO, companies can better adapt to changes in the business environment and enhance their innovative capabilities (Goerzig, 2022; Boso et al., 2017).

Business Strategy is a long-term plan designed to achieve company goals by utilizing internal resources and capabilities. Effective business strategies can enhance a company's productivity and competitiveness (Hariyati & Tjahjadi, 2018; Suswadi et al., 2022). These strategies include various approaches such as cost leadership, marketing, innovation, and differentiation (Souto & Fadel, 2019). Integrating EO into business strategy can improve overall performance (Kwak et al., 2018).

Previous research has extensively examined the relationship between EO and company performance, focusing on one or more EO components such as innovation, proactiveness, and risk-taking (Bae & Choi, 2021; Isichei et al., 2020). However, these studies often overlook the mediating role of learning orientation and business strategy in strengthening the impact of EO on company performance. Additionally, some studies emphasize specific industries or geographic regions (Kallmuenzer & Peters, 2018; Danso et al., 2016).

The novelty of this study lies in its comprehensive approach to examining the simultaneous influence of the three EO components on company performance, considering the mediating role of learning orientation and business strategy. This research not only enhances the understanding of how EO directly affects company performance but also provides new insights into how learning orientation and business strategy can strengthen this relationship. Thus, this study offers a more holistic and practical perspective for companies in designing strategies to achieve sustainable competitive advantage in a dynamic global market.

This research significantly enriches the understanding of EO, learning orientation, and Small and Medium Enterprises (SMEs) performance, particularly within the Indonesian context. Unlike previous studies that treat EO as a single concept, this study breaks it down into innovation, proactivity, and risk-taking, examining their individual and combined effects on firm performance. By focusing on Indonesian SMEs, it addresses unique challenges like regulatory environments and technology transfer, offering practical insights for policymakers and practitioners. Moreover, the study highlights the critical role of learning orientation in achieving sustainable competitive advantages and improved organizational outcomes. It also provides empirical evidence on the importance of external collaboration in enhancing innovation among SMEs. Additionally, it offers valuable insights into how SMEs can leverage innovative practices and technological advancements to navigate crises.

Literature Review

The Resource-Based View (RBV) theory, which posits that a company's unique and valuable resources are essential for gaining a competitive advantage and improving overall performance, is heavily relied upon in this research, supported by Mansour et al. (2022). According to RBV, diverse resources foster unique capabilities for long-term success and sustainable growth, as noted by Falatoonitoosi et al. (2022) and Yu et al. (2021). Previous studies (Srimulyani et al., 2023; Tarihoran et al., 2023; Zhang & Wu, 2017) propose that effectively utilizing internal resources greatly enhances organizational performance. The RBV hypothesis, focusing on internal strengths, aims to improve performance and gain a competitive edge, particularly for Small and Medium Enterprises (SMEs). It is suggested that organizations enhance specific skills using their resources to adapt to external circumstances, supported by Corvello et al. (2023).

However, Srimulyani et al. (2023) suggest modifying the RBV theory for a productive internal management system to improve company performance, echoed by H. Chen et al. (2023), who emphasize the significance of understanding and leveraging internal resources for progress, sustainability, and a competitive advantage.

Entrepreneurial Orientation (EO) signifies an organization's tendency toward innovation, risk-taking, and proactiveness. Studies by Dankiewicz et al. (2020) and Isichei et al. (2020) emphasize these qualities as crucial factors enhancing organizational performance globally (Głodowska et al., 2019). Research by Bae & Choi (2021) and Isichei et al. (2020) suggests that technological advancements facilitate EO, while Zbierowski (2020) notes that the internal environment plays a crucial role in shaping performance, challenging the universal applicability of EO behaviors across industries, supported by Jain et al. (2023). This study focuses on three dimensions—innovation, proactivity, and risk-taking (Twum et al., 2021).

Thus, this study's focal point is the conceptual framework, which incorporates three significant aspects: Entrepreneurial Orientation (EO), learning orientation, and SMES performance. It proposes that SMEs should commit to investing in their internal resources, respond proactively to market changes, aggressively pursue opportunities, and embrace risks in implementing innovative ideas. Their overall performance is likely to improve. Additionally, within this framework, the development of a learning orientation is crucial.

H1: Innovation significantly contributes to the growth of a learning attitude within SMEs.
H2: Innovation positively affects the business strategy of SMEs.

Proactiveness, as per Kallmuenzer & Peters (2018), involves predicting and meeting customer demands through innovative products and services. This internal factor, crucial for organizational success, allows capitalization on industry trends and fosters entrepreneurial spirit (Isichei et al., 2020). Understanding and fulfilling future consumer needs significantly enhances overall business performance. Firms, as highlighted by Trieu et al. (2023), can improve operations by assessing current market demands and forecasting future trends. Proactiveness extends beyond responding to current activities, involving a blend of present and future-oriented business strategies, encompassing the ability to anticipate novel ideas and market opportunities.

H3: Proactiveness has a positive impact on promoting a mindset of continuous learning within SMEs.
H4: SMEs benefit from implementing a proactive approach in their business plan.

Risk-taking in organizations, as described by Kallmuenzer & Peters (2018), refers to engaging in uncertain actions. According to Danso et al. (2016), SMES entrepreneurs' propensity for risk correlates with improved performance, driven by an internal locus of control and desire. Ling (2019) demonstrates that financial risks significantly impact company performance. The impact of risk-taking varies based on organizational goals, as noted by Martín Rojas et al. (2023). Entrepreneurs aiming for business growth automatically assume risks, supported by Sahasranamam & Raman (2018), who argue that a control-oriented mindset encourages risk-taking. Lingens et al. (2021) illustrate this with an example: keeping money in a bank is low-risk, while investing in the business is high-risk, highlighting varied degrees of risk based on financial decisions. Overall, risk-taking is integral to entrepreneurial behavior, influencing business strategy and outcomes.

H5: Engaging in risky activities actively helps promote a mindset of learning within SMEs, leading to positive effects.
H6: SMEs can benefit from incorporating a willingness to take risks into their business strategy.

Learning Orientation (LO), defined by Alerasoul et al. (2022), encompasses organizational values focused on acquiring, shaping, disseminating, and utilizing knowledge. Strategic management experts assert that a robust learning orientation enhances enterprise efficiency and supports advanced learning levels, including double-loop and generative learning (Li et al., 2021). Corporate structural learning, highlighted by Goerzig (2022), this involves eliminating outdated procedures and emphasizing the continual reassessment and refinement of organizational processes to ensure relevance and practicality in a

dynamic business environment. Overall, LO is crucial for organizations aiming to adapt, innovate, and maintain competitiveness. Entrepreneurship learning, as highlighted by Boso et al. (2017), embodies an organization's commitment to innovation, risk-taking, and responsiveness to consumer demands, fostering generative learning.

H7: A learning-oriented viewpoint positively impacts SMEs.
H8: The learning orientation of SMEs facilitates the positive effect of innovation on their performance by acting as a mediator.
H9: The significance of learning orientation in facilitating the positive effect of proactiveness on SMES performance cannot be underestimated.
H10: A learning mindset is important in ensuring that taking risks has a beneficial effect on the growth and success of SMEs.

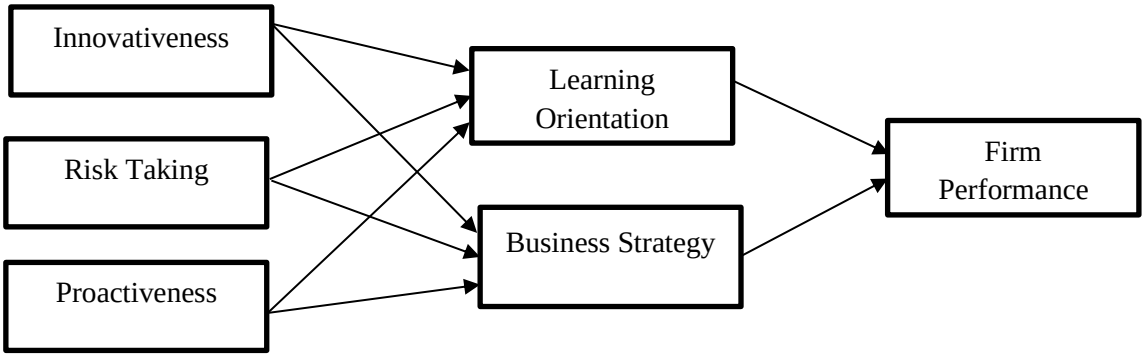

Figure 1. Conceptual framework

A study by Hariyati & Tjahjadi (2018) found a positive effect of business strategy on organizational performance in the Indonesian manufacturing industry. Experts, including Suswadi et al. (2022), stress the crucial role of business strategy in a company's success, especially through strategies like cost leadership, marketing, innovation, and differentiation (Souto & Fadel, 2019). Moreover, Han et al. (2023) emphasizes the importance of an innovative approach in developing new products, while Zhou et al. (2020) advocate for competitive and sustainable risk-taking strategies. Kwak et al. (2018) assert that entrepreneurial orientation, encompassing innovation, proactivity, and risk-taking, enhances overall business performance across various strategies. Analyzing these insights, it is evident that these entrepreneurial orientation components significantly impact a company's business strategy and overall success.

H11: Implementing a corporate business strategy has a beneficial effect on the productivity of SMEs.
H12: Business strategies enable SMEs to effectively benefit from innovation and improve their overall performance.
H13: Business strategies act as intermediaries that enable proactive behavior to positively impact SMES performance.
H14: Business strategies help SMEs achieve positive results from taking risks.

Research Method

Sugiyono (2019) argues that a sample is a portion of the population to be studied; in other words, a sample is a method of selecting a portion of the population for study. This research uses a non-probability purposive sampling technique. Hult et al. (2021) suggest that accurately assessing the quality of a match becomes challenging with too large a sample. They recommend a minimum of 5 to 10 observations per parameter estimated. Given the large-scale social nature of this study, the higher end of this scale, 10, was applied. As a result, the 30 statements in this study were each multiplied by 10, resulting in a target sample size of 300 respondents. This approach aims to achieve a margin of error of 10% and a confidence level of 90% (Hair et al., 2017).

Table 1. Outer model evaluation

Construct / item	Loadings	Alpha	C.R	AVE
Innovativeness				
IN1	0.935			
IN2	0.920	0.936	0.954	0.840
IN3	0.935			
IN4	0.874			
Proactiveness			0.912	0.721
PR1	0.873			
PR2	0.773	0.870		
PR3	0.888			
PR4	0.859			
Risk Taking			0.945	0.811
RT1	0.796			
RT2	0.934	0.921		
RT3	0.930			
RT4	0.934			
Learning Orientation				
LO1	0.732			
LO2	0.918			
LO3	0.916			
LO4	0.918	0.959	0.966	0.760
LO5	0,916			
LO6	0.908			
LO7	0,918			
LO8	0.856			
LO9	0.736			
Business Strategy				
ST1	0.924			
ST2	0.916	0.925	0.945	0.774
ST3	0.925			
ST4	0.877			
ST5	0.744			
Firm Performance				
FP1	0.856			
FP2	0.918	0.925	0.947	0.818
FP3	0.922			
FP4	0.918			

Data Collection Methods

This research utilizes a source-based method for data collection, with two types of data sources: primary and secondary. Primary data are obtained directly from sources by data specialists; these sources were gathered through the distribution of surveys to SMEs in Jakarta and West Java. Secondary data are obtained through sources where research does not directly provide data to collectors, such as other people or documents. The authors of this study gathered the necessary data and information by reading books, journals, articles, and previous research theses.

Statistical Analysis Techniques

The review used SmartPLS-SEM software for data processing, which stands for Partial Least Squares - Structural Equation Modeling. PLS can explain the relationships among variables and conduct analyses in a single test. PLS aims to validate hypotheses and determine the presence of relationships between latent variables. Hair et al. (2019) stated that the PLS approach can define latent variables, which are not directly observable, through indicators. The authors use Partial Least Squares because of the latent variable nature of the research, which can be measured by its indicators, enabling the authors to conduct precise and extensive analyses.

Research Design

This research employs surveys for data collection, focusing on a quantitative approach. The

primary data regarding SMEs are gathered through questionnaires. These questionnaires are predominantly distributed via email, although the authors deliver some directly. Respondents receive the questionnaire along with an introductory letter outlining the research objectives and assuring confidentiality.

Variable Measurement

Each item in the questionnaire is assessed using a five-point Likert scale, akin to a musical scale with predetermined tones, ensuring precise measurement. In this research, entrepreneurial intentions are divided into three dimensions to explore their effects on company performance and an individual's learning orientation. The dimensions encompassed by entrepreneurial orientation are innovation, proactivity, and risk-taking. A five-item scale is utilized to measure each of these dimensions refer to Chen et al. (2018); Ferraris et al. (2019); Latifah et al. (2021), Meekaewkunchorn et al. (2021), and Isichei et al. (2020).

Result and Discussion

In evaluating the external model, several tests ensure the validity and consistency of the framework, including convergent validity, which requires an outer loading value of > 0.70, Average Variance Extracted (AVE) > 0.50, composite reliability > 0.60, and Cronbach's alpha > 0.70, Indicating an excellent assessment. The outer loading of all indicators above 0.7 is derived using the data in Table 1, leading to better convergence validity. According to Hair et al. (2019), reliability is confirmed when Cronbach's alpha exceeds 0.7. All variables surpass this threshold, indicating their reliability. Composite reliability tests also show values above 0.6 for each variable, meeting requirements. AVE tests reveal that each variable, with values above 0.5, passes the Average Variance Extracted test.

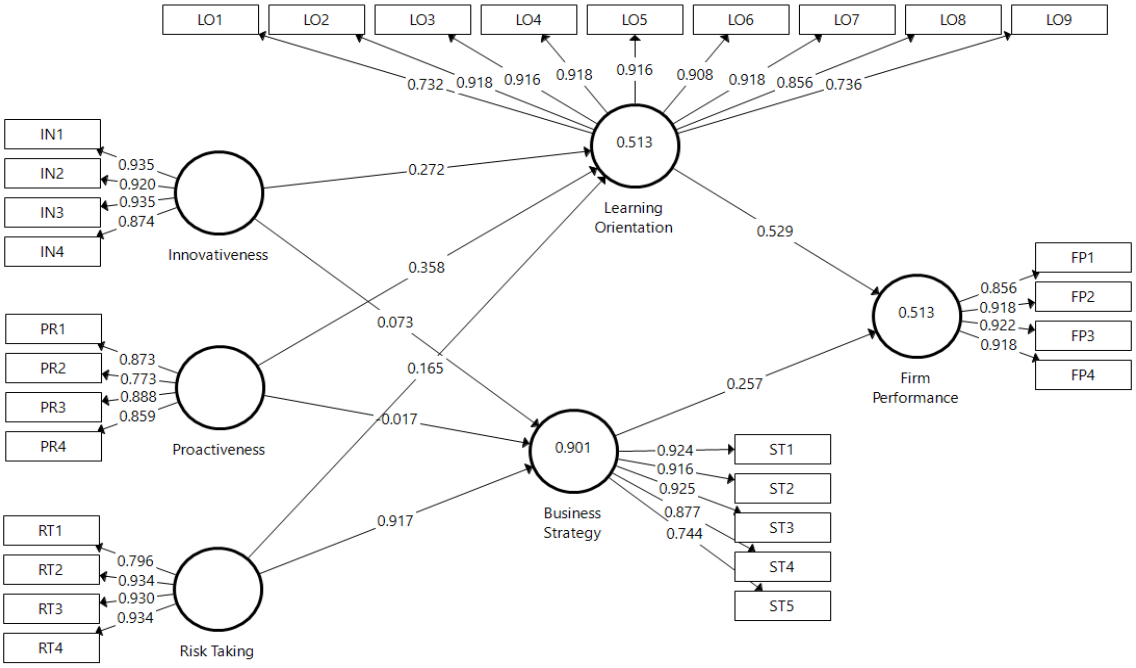

Figure 2. Construct model

Table 2. Discriminant validity

Construct	Business Strategy	Firm Performance	Innovativeness	Learning Orientation	Proactiveness	Risk Taking
Business Strategy	0.880					
Firm Performance	0.581	0.904				
Innovativeness	0.600	0.618	0.916			
Learning Orientation	0.612	0.687	0.638	0.872		
Proactiveness	0.695	0.893	0.753	0.681	0.849	
Risk Taking	0.948	0.592	0.589	0.581	0.716	0.900

Table 3. Coefficient of Determination (R^2)

Variable	R Square	R Square Adjusted
Business Strategy	0.901	0.900
Firm Performance	0.513	0.510
Learning Orientation	0.513	0.508

Table 4. Effect size

Variable	Business Strategy	Firm Performance	Innovativeness	Learning Orientation	Proactiveness	Risk Taking
Business Strategy		0.085				
Firm Performance						
Innovativeness	0.023			0.065		
Learning Orientation		0.360				
Proactiveness	0.001			0.084		
Risk Taking	4.106			0.027		

Table 5. Q–Square Predictive Relevance (Q^2)

Variable	SSO	SSE	Q^2 (=1-SSE/SSO)
Business Strategy	1500.000	464.920	0.690
Firm Performance	1200.000	707.032	0.411
Innovativeness	1200.000	1200.000	
Learning Orientation	2700.000	1687.677	0.375
Proactiveness	1200.000	1200.000	
Risk Taking	1200.000	1200.000	

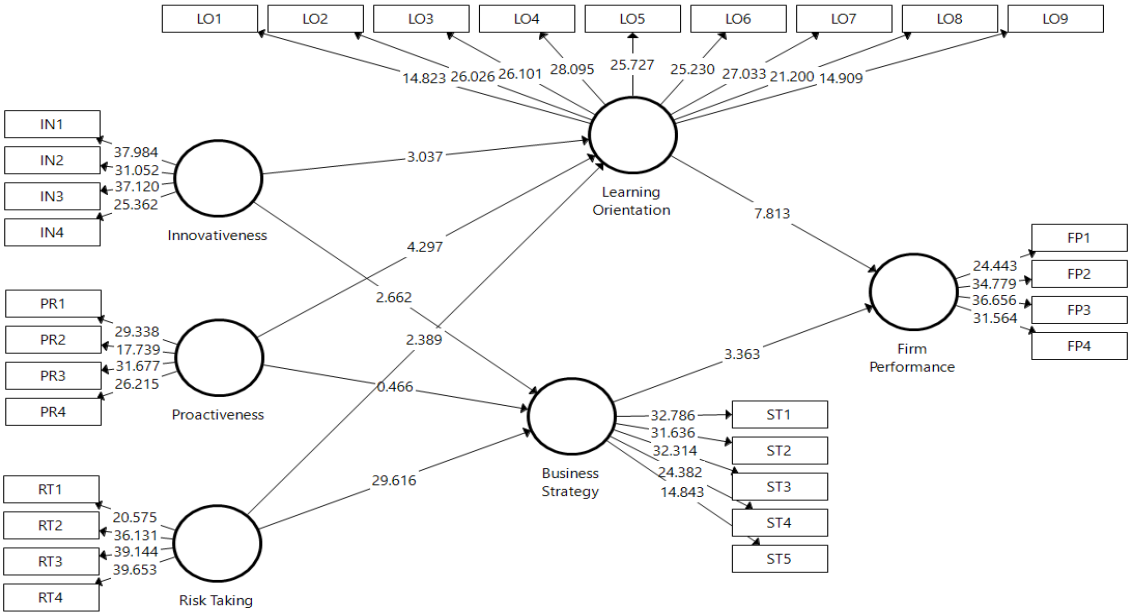

Figure 3. Bootstrapping results

The value of AVE in Table 2, ranges from 0.849 to 0.916, with significance at levels of 0.05 or 0.70. This shows that the AVE root validity requirements are satisfied. The observed AVE values for every variable surpass the correlation coefficients between each pair of those factors, providing evidence of

discriminant construct validity (AlOmari, 2022).

The analysis indicates that the constructs utilized in the study exhibit reliability and validity. The high loadings for each item on their respective constructs demonstrate good indicator reliability. The Cronbach's Alpha and Composite Reliability values exceed the acceptable threshold, indicating internal consistency. The AVE values confirm convergent validity, while the Fornell-Larcker criterion confirms discriminant validity between the constructs. This implies that the constructs are both distinct and accurately measured, thereby supporting the robustness of the measurement model employed in the study.

Internal Model

The internal model test is employed to assess the appropriateness of the underlying model within the research. This evaluation is conducted in relation to the results of the internal model. The R-squared (R^2) value indicates that business strategy, innovativeness, proactiveness, and risk-taking explain 90.1% of firm performance, with the remaining 9.9% attributed to external factors. For learning orientation, innovativeness, proactiveness, and risk-taking account for 51.3% of firm performance, while 48.7% is attributed to external factors. The R-squared coefficient of 0.513 in Table 3 suggests that business procedure and learning orientation are explained by innovativeness, proactiveness, and risk-taking, whereas 48.7% is attributable to other unexamined factors. When the effect size (see Table 4) for a group of independent variables is greater than 0.00, it is considered complete and well-designed. The thorough analysis takes into account the observed values of innovativeness, proactiveness, risk-taking, business strategy, and learning orientation in relation to firm performance. Specifically, the value of 0.441 for firm performance exceeds 0, classifying it as excellent. Similarly, the values of 0.690 for business strategy and 0.375 for learning orientation both exceed 0, indicating a good fit (see Table 5).

Main Finding

Direct effects

a. Innovativeness: Has a significant impact on business strategy and learning orientation.
b. Proactiveness: Does not significantly impact business strategy but has a significant positive effect on learning orientation.
c. Risk-Taking: Shows a significant influence on both business strategy and learning orientation.
d. Business Strategy and Learning Orientation: Both significantly impact firm performance.

Indirect effects

e. Innovativeness: Influences firm performance through business strategy and learning orientation.
f. Proactiveness: Has an insignificant effect through business strategy but significant through learning orientation on firm performance.
g. Risk-Taking: Affects firm performance through both business strategy and learning orientation.

Table 6. Direct effects

Construct	Original Sample (O)	*p*-values
Innovativeness -> Business Strategy	0.073	0.008
Innovativeness -> Learning Orientation	0.272	0.003
Proactiveness -> Business Strategy	-0.017	0.642
Proactiveness -> Learning Orientation	0.358	0.000
Risk Taking -> Business Strategy	0.917	0.000
Risk Taking -> Learning Orientation	0.165	0.017
Business Strategy -> Firm Performance	0.257	0.001
Learning Orientation -> Firm Performance	0.529	0.000

Based on the result on Tables 6 and 7, our study provides crucial insights into the impact of learning orientation and business strategy on the relationship between entrepreneurial orientation and performance in small and medium-sized enterprises (SMEs). The findings support the notion that learning orientation, business strategy, and entrepreneurial orientation significantly influence SMEs' success. Specifically, the study reveals that innovation, proactivity, and risk-taking indirectly contribute to an organization's overall success. Both learning orientation and a structured approach significantly impact outcomes, as highlighted by Mansour et al. (2022). These results align with previous research emphasizing the importance of entrepreneurial characteristics in enhancing the marketing achievements of SMEs.

Entrepreneurial orientation, which includes components like innovation, proactivity, and risk-taking, is widely recognized as a critical determinant of organizational success (Basyirah, Kina, & Hidayati, 2022). This study underscores that these components do not act in isolation but are significantly enhanced by a learning orientation and a well-defined business strategy. Learning orientation, defined as an organization's propensity to value and encourage learning, fosters an environment where innovation thrives. This, in turn, leads to better performance outcomes as organizations can adapt more readily to market changes and new opportunities.

Additionally, the findings indicate that an innovative mindset, proactivity, and openness to taking risks are significant in shaping an organization's planning approach and knowledge acquisition focus. These factors explain 51.3% of the observed variation, aligning with prior research that underscores their importance for organizational efficiency (Pratama & Herman, 2023). This considerable percentage suggests that entrepreneurial orientation's influence on performance is substantially mediated by an organization's capacity to learn and strategically plan (Saskara & Setyari, 2022). In other words, SMEs that prioritize learning and strategic planning are better positioned to harness the benefits of entrepreneurial orientation.

Table 7. Indirect effects

Construct	Original Sample (O)	*p*-values
Innovativeness -> Business Strategy -> Firm Performance	0.019	0.040
Innovativeness -> Learning Orientation -> Firm Performance	0.144	0.006
Proactiveness -> Business Strategy -> Firm Performance	-0.004	0.645
Proactiveness -> Learning Orientation -> Firm Performance	0.190	0.002
Risk Taking -> Business Strategy -> Firm Performance	0.236	0.001
Risk Taking -> Learning Orientation -> Firm Performance	0.087	0.014

The study significantly contributes to achieving research objectives by enhancing understanding of factors influencing the success of SMEs. It suggests that the development of SMEs is influenced by internal qualities, adaptability to economic conditions, and entrepreneurs' ability to face challenges. This holistic view considers both the internal dynamics of the organization and its external environment, providing a nuanced perspective on SME performance.

However, the study also found that business strategy did not significantly mediate the relationship between proactiveness and company performance. This contrasts with some literature suggesting a positive link between business strategy and firm performance (Isichei et al., 2020; Jain et al., 2023; Kiyabo & Isaga, 2020). This discrepancy highlights the need for further exploration into the nuanced interactions between different variables influencing SME success. It raises questions about the conditions under which business strategy effectively mediates performance outcomes, suggesting that other moderating factors, such as industry type, market conditions, or organizational culture, might play crucial roles.

The study aligns with the literature review on entrepreneurship, innovation, organizational performance, and management practices in SMEs, covering diverse topics like growth drivers, organizational capabilities, product innovation, gender discrimination, international entrepreneurial orientation, and government support. Numerous research articles across entrepreneurship, business performance, innovation, and organizational learning in SMEs reinforce the findings, exploring a broad spectrum of factors and their effects on SME performance.

Our study highlights the significant impact of innovation, proactivity, and risk-taking on organizational success, mediated by an organization's capacity to learn and strategically plan. While some findings, such as the non-significant mediation of business strategy between proactiveness and performance, call for further investigation, the study overall reinforces the critical role of entrepreneurial and learning orientations in driving SME success. This comprehensive understanding aids in formulating policies and strategies to support SMEs, ensuring their growth and sustainability in an increasingly dynamic business environment.

Conclusions, suggestions and limitations

The study's findings indicate that the development of small and medium-sized enterprises (SMEs) is significantly influenced by several critical factors. Internal capabilities, the ability to adapt to fluctuating

economic conditions, and the readiness of business managers to tackle challenges play crucial roles in shaping the success trajectory of these enterprises. This research aligns with and extends existing literature on various aspects of business, including innovation, organizational performance, and management practices within SMEs. It offers valuable insights into the impact of learning orientation and business strategy on the relationship between entrepreneurial attitudes and the overall performance of SMEs.

Looking ahead, future research could focus on further exploring the mediating roles of learning orientation and business strategy in determining SME outcomes. It would be advantageous to examine how other elements, such as innovation capabilities, entrepreneurial spirit, and leadership differentiation, affect SME performance. Additionally, future studies could investigate the connection between firm performance and marketing strategies, with particular emphasis on the role of innovation in this dynamic.

A notable limitation of this study is the absence of a statistically significant and positive mediating effect of business strategy on the relationship between proactiveness and company performance. This finding suggests the existence of other, yet to be explored, variables that might influence this relationship. Moreover, the study's conclusions are drawn from a specific sample, which may not fully represent the broader SME population. The analysis also did not comprehensively account for external factors such as economic conditions and government support, which could play significant roles in SME performance.

Overall, while this study provides meaningful insights into the factors influencing SME success, it also highlights the need for further research to uncover additional variables and external conditions that impact the effectiveness of business strategies and entrepreneurial orientations in SMEs.

Competing Interests

The author(s) declare that there are no competing interests relevant to the content of this article.

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