

**UNIVERSITY OF GHANA**

**ENTREPRENEURIAL STRATEGIES, ENTREPRENEUR'S TYPOLOGY AND  
ENTERPRISE PERFORMANCE IN GHANA.**

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**A THESIS SUBMITTED TO THE DEPARTMENT OF MARKETING AND  
ENTREPRENEURSHIP, UNIVERSITY OF GHANA BUSINESS SCHOOL, IN PARTIAL  
FULFILMENT OF THE REQUIREMENT FOR THE AWARD OF MASTERS OF  
PHILOSOPHY IN MARKETING DEGREE.**



**JULY 2023**



**DECLARATION**

I declare that this study is the result of my own research and efforts and that it has not been submitted for academic credit at this or any other institution. The works of others were fully cited and referenced in this study; I accept sole responsibility for any flaws in this work.



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**CERTIFICATION**

This thesis has been supervised and coordinated in accordance with all rules of the University of Ghana.



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**DATE**



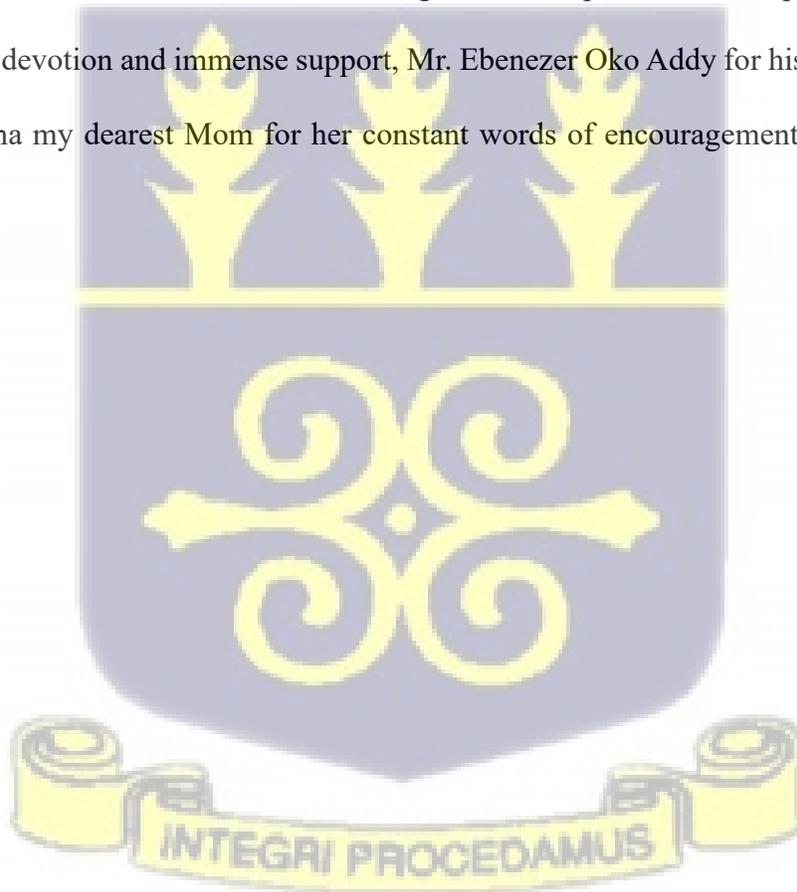
### DEDICATION

I dedicate this work to the Almighty God; without whose strength and guidance I would not have gotten this far. I also dedicate this work to my family and the family of Ampofo for their unwavering support and sacrifices throughout this research.



## ACKNOWLEDGEMENT

My profound gratitude is owed to the Almighty God for his spiritual and physical provisions throughout this project. In addition, some individuals cannot go without mention because of their immense support and commitment in diverse ways to the success of this study. My appreciation goes to Dr. George Acheampong and Professor Bedman Narteh for the exceptional supervision and guidance they provided throughout the study. I must also mention that, amidst their busy schedules, they made time to go through my work and gave me relief for the completion of this project. It has been a thrilling experience to work with you. I am truly grateful. May God richly bless you. I cannot conclude without mentioning some few pillars for this project; Mr. Oliver Aggrey for your devotion and immense support, Mr. Ebenezer Oko Addy for his immense support and Juliana Asana my dearest Mom for her constant words of encouragement, God richly bless you.



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## ABSTRACT

The purpose of this research is to examine the relationship that exists between entrepreneurial strategy and firm performance by using entrepreneur types as a moderator. The study considered the entrepreneurial strategy; as effectuation, causation, and bricolage and how they affect enterprise performance while considering the type of entrepreneurs; necessity or opportunity in enterprise operation as a moderator (An, Ruling, Zheng & Zhang, 2020). This research study embraces the quantitative approach due to the variables under study and the attempt to examine the relationship among them. The population for this study is small-scale entrepreneurs operating in Ghana. After identifying a study population, data was collected using a random probability sampling procedure, the study collects data from two hundred and eighteen (218) respondents. From the findings, it was evident that, entrepreneurial both entrepreneurial strategies and entrepreneurial typologies are essential to enterprise performance. Essentially, the study reveals interestingly that opportunity entrepreneurs are better off utilizing causation strategies whereas necessity entrepreneurs will thrive on effectuation and bricolage strategies. This study makes significant contribution to literature in entrepreneurship opportunities, entrepreneurial strategies and enterprise performance in an emerging economy like Ghana. The study finally recommends that future researchers consider a qualitative research approach to further ascertain the findings of this study.



## CHAPTER ONE

### INTRODUCTION

#### 1.0 INTRODUCTION

This section for this study will cover a brief background of the research, problem statement which highlight the research gaps for the study, research purpose, objectives and questions, methodology, significances of the research, the scope of the research and chapter organization of the research.

#### 1.1 RESEARCH BACKGROUND

The body of knowledge regarding business strategy is rapidly growing. Recently, entrepreneurial strategies like bricolage, effectuation, and causation have been thoroughly studied by researchers of business. To comprehend how contextual variations in company building methods affect the outcomes of their performance, a few justifications are given. In general, Africa still has a dearth of literature on business strategies that emphasizes the effectuation hypothesis. This study gives an empirical work to complement Dencker et al. (2021) entrepreneurial typologies, which are derived from Maslow's hierarchy of needs theory in effectuation theory.

The entrepreneurial strategies employed by the entrepreneurs may, in the foreseeable future, have an influence on the enterprise's performance. The entrepreneurial strategies that will be employed for this study are effectuation, causation, and bricolage. Sarasvathy et al. (2001) define effectuation as an entrepreneurial logic where the entrepreneur considers the uncertainty of the future and how it can impact the goal. Entrepreneurs are prone to making logical decisions and employ a more rational model of entrepreneurship when faced with uncertainty. Yu et al. (2018) suggests entrepreneurs employ an effectual strategy since the future is uncertain and there is a need for the entrepreneur to leave room to adjust the goal soon.

Djuricic and Bootz (2019) agreed to the assertion that entrepreneurs who adopt a causation strategy tend to have a predetermined goal they hope to achieve over time, and these are achieved through rational choice. Entrepreneurs are prone to observing current environmental attitudes and basing their decisions on them.

Bricolage is described as the ability to innovate with a variety of materials sufficient to address new issues or take advantage of new opportunities (Baker & Nelson, 2005). The concept of bricolage was propounded by the anthropologist Levi-Strauss (1967). The concept suggests that the entrepreneur needs to be sensitive to the environment and available resources at hand. This is because an entrepreneur using a bricolage strategy must be both an innovator and a visionary to be able to start up a business. There have been different classifications of entrepreneurs in past literature, where some scholars in late 1900 used several standards in their entrepreneur's typology assumptions (Collins & Moore, 1970; Hornaday, 1990).

In recent times, scholars have explained the types of entrepreneurs based on whether an opportunity exists for entrepreneurs to take advantage of or a mere "try your luck" affair for the entrepreneur due to circumstances beyond their capabilities (Cheung, 2014; Fairlie & Fossen, 2020). This has resulted in two types of entrepreneurs, which current researchers are eager to study and draw conclusions from: necessity entrepreneurs and opportunity entrepreneurs (Coffman & Sunny, 2021).

The comparison of the two types of entrepreneurs can be deduced from what their motives for starting their business are. Opportunity entrepreneurs set up a business to pursue a business opportunity, whereas necessity entrepreneurs start a business to meet a specific necessity need. Necessity and opportunity entrepreneurship owes its importance in current literature in

entrepreneurship research, to its practical implications in recent legislative initiatives targeting necessity entrepreneurs (Block & Wagner, 2010; Buame, Asempe & Acheampong, 2013; Fairlie & Fossen, 2020; Dencker, Bacq, Gruber & Haas, 2021).

The type of entrepreneur, such as necessity or opportunity entrepreneurs, who are driven by the idea of needs, acts as a precursory factor that influences how well business strategies work to gauge performance (Scheidgen, 2021; Denker et al., 2021; Coffman & Sunny, 2021). The effectuation theory has been asserted throughout the literature to be a network-driven and network-dependent theory that provides stakeholders with information during uncertain times, reduces transaction costs, and ensures high levels of diversification in related enterprises. The goal of this study is to find out how the reasons for starting a business affect how company strategies are put into place and how well they work in Ghana, which has a very unstable economy, weak institutions, and few resources.

The type of entrepreneur in recent years has gained popularity in literature, where researchers in the field have elaborated on which of the two types of entrepreneurs is more profitable (Block & Wagner, 2010). Block and Wagner (2010) concluded that opportunity entrepreneurs are more profitable than necessity since they explore opportunities that exist in the environment. Coffman and Sunny's research from 2021 has set the stage for more research to be done on how strategy changes depending on the type of entrepreneur and what drives them.

According to Mansoori and Lackeus (2019), effectuation does not predict the future but rather emphasizes how to control the unforeseen happenings in the future. Sarasvathy (2019), argues that effectuation was a logic that implied that humans were the cause of the future. Hence, the future could be controlled. The effectuation theory considers four behavioral principles, namely: means,

affordable loss, partnership, and contingency. This study hypothesizes how these individual strategies in the effectuation theory predict the performance of small ventures in Ghana. An, Riling, Zheng, and Zhang (2020), however, point out that entrepreneurial motives influence the tenacity of an implemented enterprise strategy. These claims are made because, while the overall goal of entrepreneurship is financial performance (Sarasvathy, 2019), some entrepreneurs build their businesses simply to survive (Dencker et al., 2021). Consequently, the typology of entrepreneurship pre-empts the voraciousness attached to deploying market strategies to yield financial performance (Coffman & Sunny, 2021). These motivational triggers for enterprise building can be opportunity based or necessity based (Dencker et al., 2021). The literature explains that when there is a need for survival in one's life, there is an urgent need to innovate or find ways to control the situation surrounding them, and hence, this person creates a venture based on these scarce situations surrounding him.

On the other hand, another individual may have an entrepreneurial drive and will identify venture creation opportunities in the environment to take advantage of them. Based on Maslow's theory of needs, this study assumes that the two different ways of building a business will have different results. These different effects may influence performance and lead to differences in how entrepreneurial strategies are used and the benefits they bring.

Extant literature has explained that successful entrepreneurs are able to develop strategies to exploit opportunities and shortcomings in their enterprise environments (Acheampong and Hinson, 2019; Aggrey et al., 2021). One observes a growing literature on enterprise development through the recombination of scarce resources to achieve enterprise performance (Roach et al., 2016; Yu et al.,

2019; Liu et al., 2021; Aggrey et al., 2021). Consequently, entrepreneurial strategies and perspectives such as the effectuation theory have gathered academic momentum and is in the fore of entrepreneurship discourse especially within resource scarce contexts like Ghana.

Effectuation theory, according to literature, is part of an emerging stream of entrepreneurship theories, which have two other distinct branches of strategy applications, namely: causation and bricolage (Yi & Ruling, 2019). Others argue that effectuation is a network-driven and network dependent theory that enlightens stakeholders in moments of uncertainty (Hauser, Eggers & Guldenberg, 2020).

The research focuses on distinguishing between those who are forced into entrepreneurship due to social factors such as unemployment and those who are drawn in by the attractiveness of the opportunity (Dencker, Bacq, Gruber, & Haas, 2021; Cheung, 2014). Even though prior literature has massively expanded knowledge, the binary frame commonly used in studies in this field has hindered theoretical development by ignoring essential fluctuation among necessity entrepreneurs and opportunity entrepreneurs' and as a result, the processes by which they engage in entrepreneurship (Scheidgen, 2021; Coffman & Sunny, 2021).

## **1.2 PROBLEM STATEMENT**

Though entrepreneurship has been expounded to yield economic benefits to enterprise owners, the entrepreneurial processes towards these economic ends have not had such obvious correlations to entrepreneurial success. Several bounding conditions such as resource availability, uncertainty, and the efficient exploitation of these resources by business owners have had implied consequences on entrepreneurial activities and their outcomes (Acheampong et al., 2018; Acheampong and Hinson, 2019; Aggrey et al., 2021; Liu et al., 2021). In addition to resource

availability, utilization, and their related bounding conditions, enterprises may have to innovate constantly to survive (Ferreira et al., 2019).

The study attempts to test this conceptualization in the Ghanaian small and medium-sized enterprise (SME) context. Ghana has a nascent SME sector that constitutes about 90% of the entire population of businesses in the country (Acheampong et al., 2014). Also, recent economic downturns and low rates of business survival show the uncertain nature of the business environment (Aggrey et al., 2021). We sample Ghanaian SMEs to find support for our assertions that enterprise motivations, which are operationalized through the typologies of entrepreneurship, will have varied influences on how enterprise strategies are adopted, hence resulting variations in expected performance outcomes. The study will significantly contribute to the recent stream of enterprise literature on effectuation theory by building a strong contextual case of motivations from an African perspective and providing additional empirical knowledge on the indeterminate findings of the effectuation-performance nexus.

In developed countries, there has been research in the areas of entrepreneurial strategies, such as bricolage (Baker & Nelson, 2005), effectuation and causation strategies (Laine & Galkina, 2017), and the role each of the strategies plays in venture creation (Sitoh, Pan & Yu, 2014). The conditions in developed countries are vastly different from those in developing countries. According to Fisher (2012), entrepreneurs are more likely to employ bricolage and effectuation strategies because they are more beneficial for the entrepreneur. Consequently, the entrepreneurial strategy that may work in developed countries may not be necessarily applicable in our context, so it will be prejudicial for the developing country to be adjudged with literature that may not represent conditions in a developing country (An, Ruling, Zheng & Zhang, 2020). This gap in the research led the study to

dig deeper to find out why the entrepreneur chose the strategy they did and how it affected the performance of the business.

Further research by Dencker et al., (2021), highlights the reconceptualization of the types of entrepreneurs and the fact that they are either pushed or pulled into entrepreneurship by their needs (basic or social). This necessitates a need for more research to be conducted to establish the relationship that seems to exist between entrepreneurial strategies and enterprise performance and the mediating role the type of entrepreneur plays in the relationship.

Their research did not cover the Ghanaian context; hence, a follow-up study to understand how Ghanaian entrepreneurs' (necessity/opportunity) entrepreneurial strategies impact enterprise performance is necessary. The study seeks to add to existing knowledge in the field of entrepreneurship. The study will further suggest to entrepreneurs the entrepreneurial strategies they can employ to increase their ability to perform better year on year.

### **1.3 RESEARCH PURPOSE**

The purpose of this research is to discover the relationship that exists between entrepreneurial strategy and firm performance by using entrepreneur types as a moderator. The study will consider the entrepreneurial strategy; effectuation, causation, and bricolage and how they can affect enterprise performance while considering the type of entrepreneurs; necessity or opportunity in enterprise operation.

### **1.4 RESEARCH OBJECTIVES**

1. To investigate the relationship between entrepreneurial strategy and enterprise performance.
2. To determine the relationship between entrepreneur typology and enterprise performance.

3. To ascertain the moderating effect of entrepreneur typology on the relationship between entrepreneurial strategy and enterprise performance.

### **1.5 RESEARCH QUESTIONS**

1. What is the relationship between entrepreneurial strategy and enterprise performance?
2. What is the relationship between entrepreneur typology and enterprise performance?
3. What is the moderating effect of entrepreneur typology on the relationship between entrepreneurial strategy and enterprise performance?

### **1.6 SIGNIFICANCE OF THE STUDY**

The study seeks to contribute to the literature in entrepreneurship and enterprise performance. The study will provide extensive information in theory of needs by using the understanding of the types of entrepreneurs (necessity or opportunity) and how they impact enterprise performance. The study further furnishes the reader with current information on the moderating role of the types of entrepreneurs in the relationship that exists between entrepreneurship strategy and enterprise performance. The study will provide both conceptual and empirical evidence from the literature to support the discussion on entrepreneurship strategy and enterprise performance. The study will also inform policymakers about the best policies to implement to assist entrepreneurs and, in the long run, encourage youth to pursue entrepreneurship.

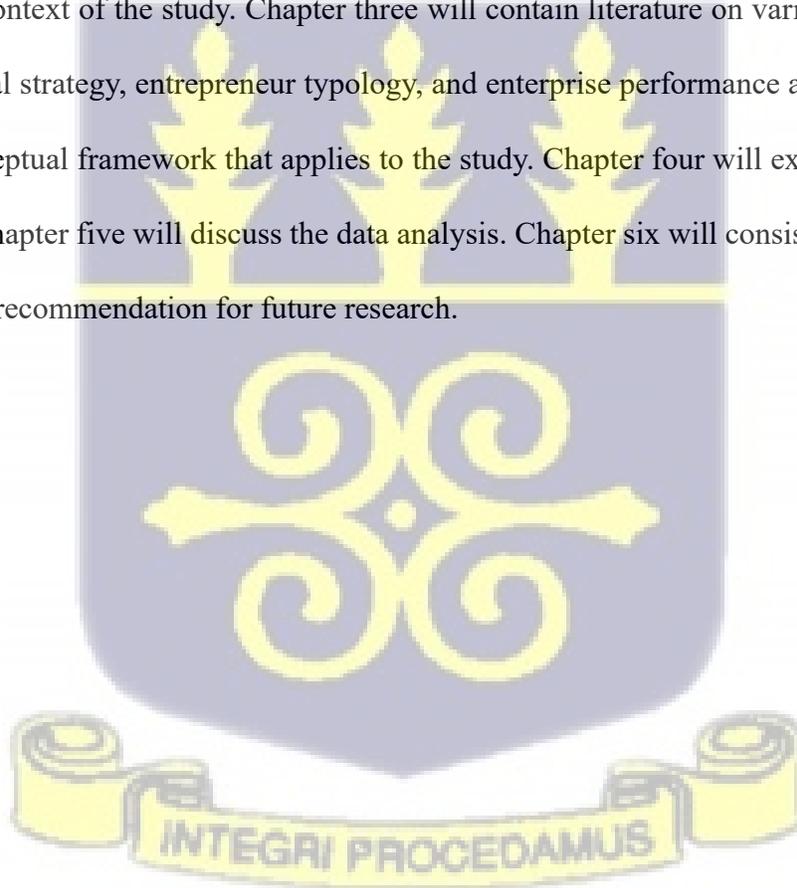


### **1.7 SCOPE OF THE STUDY**

Ultimately, the study aims to find the entrepreneurial strategy that is more likely to increase firms' performance using the types of entrepreneurs as a moderator. However, the collection of data for the study will be limited to entrepreneurs operating in Accra, the capital of Ghana.

### **1.8 CHAPTER OUTLINE**

This research will be organized as follows. The first chapter introduces the topic of the study, background, problem statement, research questions, and research objectives, as well as the significance, scope, and research organization. Chapter two will shed more light on the area of the study with the context of the study. Chapter three will contain literature on various topics related to entrepreneurial strategy, entrepreneur typology, and enterprise performance and the theories as well as the conceptual framework that applies to the study. Chapter four will explain the research methodology. Chapter five will discuss the data analysis. Chapter six will consist of the summary, conclusion, and recommendation for future research.



## CHAPTER TWO

### LITERATURE REVIEW

#### 2.0 INTRODUCTION

The theoretical foundation of the study, the conceptual framework of the study, and the empirical foundation of the study will all be covered in this section.

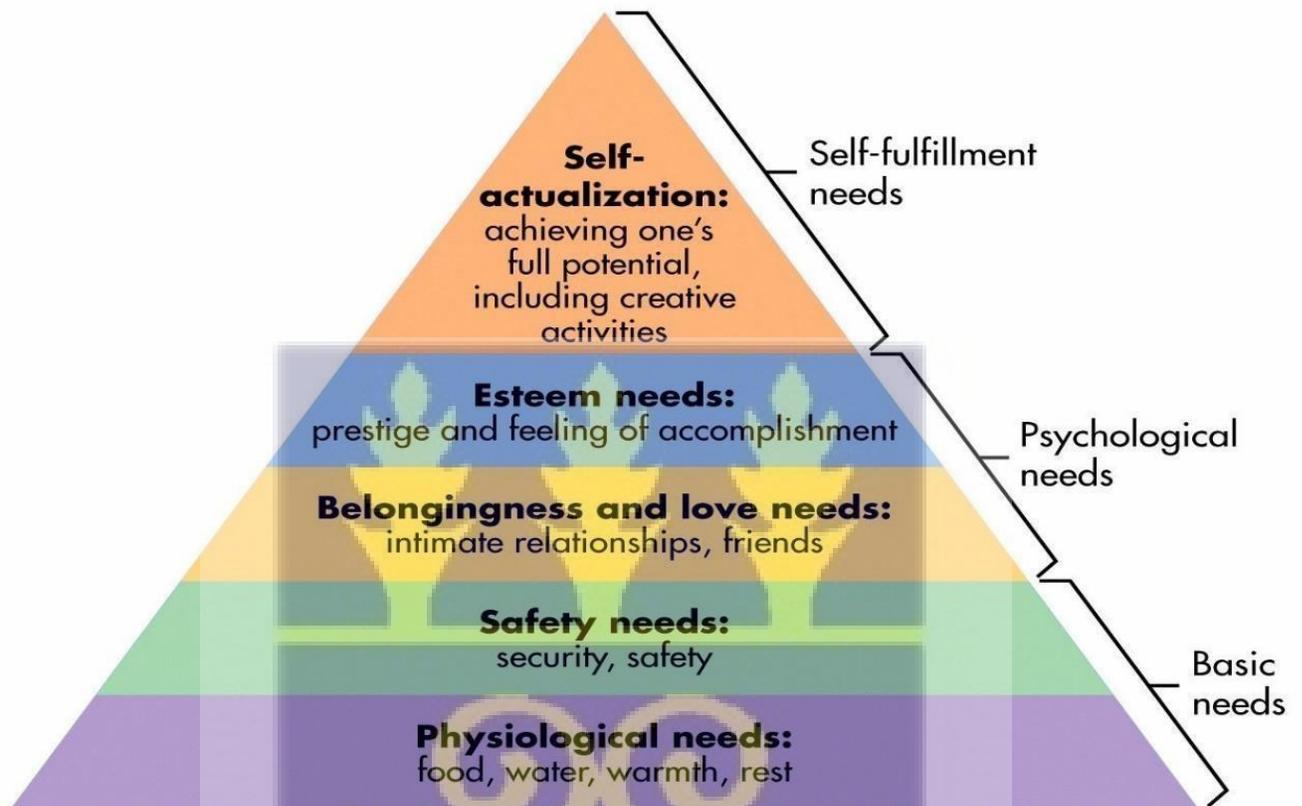
#### 2.1 THEORETICAL FOUNDATION OF THE STUDY

##### 2.1.1 Maslow's Theory of Need.

Maslow's hierarchy of needs was proposed by Abraham Maslow in his 1943 paper "A Theory of Human Motivation." Maslow elaborated on the idea by discussing his candid thoughts on humans' natural curiosity. He then developed a classification system that began with societal necessities and progressed to more acquired emotions. The Abraham Maslow hierarchy of needs is represented by a pyramid, with the most basic needs at the bottom (broad base) and acquired emotions at the apex. The theory has physiological needs as the most basic need, followed by safety needs, social needs, self-esteem, and, at the apex, self-actualisation.

The types of entrepreneurs can be explained using Maslow's theory of need. Every entrepreneur has a distinctive motivational drive that nudges them in the direction of entrepreneurship. The motivational drives can be identified by the Maslow theory of need. According to Dencker et al., (2021), the Maslow theory of need can be divided into two to better explain the types of entrepreneurs; necessity entrepreneurs (physiological needs and safety needs) and opportunity entrepreneurs (social needs, self-esteem, and self-actualisation). This is because necessity entrepreneurs are more likely to have ventured into entrepreneurship due to an unforeseen

circumstance (unemployment, death of the breadwinner, being sacked, etc). While the opportunity entrepreneur looks for attractive opportunities that present potent yields to pursue.



Source: <https://www.simplypsychology.org/maslow-pyramid.jpg>



## **2.2 EMPIRICAL FRAMEWORK OF THE STUDY**

### **2.2.1 ENTREPRENEURIAL STRATEGIES**

#### **2.2.1.1 Effectuation**

According to Coudounaris and Arvidsson (2021), the theory of effectuation has left an indelible mark around entrepreneurship research. The hypothesis was an attempt to understand entrepreneurs' mindsets and how they go about founding and running new businesses. The primary concept of effectuation is that managers don't always stick to strategic plans. Smaller entrepreneurial enterprises, according to Sarasvathy (2001; 2008), utilize the absolute opposite logic: they lack the information and expertise to use causal logic, so they use effectuation. In her book, she delves into the maintenance or restoration of effectuation and how they work. Her process is guided by interesting and interactive processes that result in new goods and businesses, which she refers to as entrepreneurial knowledge or expertise.

Sarasvathy (2001) calls this the birthplace of effectuation. According to Grégoire and Cherchem (2019), it is a mode of action employed by business experts to explain their behaviors in producing new market artifacts in unpredictable and dynamic contexts. Entrepreneurs are actively involved in the creation of a new industrial artifact, assessing whether the resources available can generate results that are consistent with their initial goals. When making alliances to get more resources and power in an unknown future, they think about what could go wrong and how much they can afford to lose (Sarasvathy, 2001, 2008; Sarasvathy & Dew, 2005a; Murdock & Varnes, 2017).

The concept of effectuation is founded on the assumption that decision-making in uncertain contexts cannot be based on pre-determined objectives. Because the entrepreneur's reasoning is limited and his or her goals are unknown (Knight, 1921), he or she engages in control actions.

(Weick, 1979) to foster dedication among those invested while also allowing for iterative learning. March's (1991) behavioral theories are linked to Weick's (1995) concepts of enactment and sensemaking through effectuation.

The proposal for dealing with contingencies, according to the principles of effectuation, is to leverage them. The entrepreneur's creativity and attitude are critical in this case; inventiveness and satisfaction might be considered a prerequisite for successful entrepreneurship. The concept of knowledge building is another foundation of effectuation theory. As companies gain experience, they tend to aim for adjustments in their effective network. Firms first collaborate with everyone who is interested in cooperating, but as their knowledge of their environment grows, they aim to be more selective in their collaborators. The network will change as the company grows. In contrast to the traditional, logical, and so-called causality strategy, effectuation theory provides new perspectives on business decisions. The concept of entrepreneurial knowledge and expertise is at the heart of a lot of effectuation research, with evidence suggesting that novice and expert entrepreneurs utilize different effectual and causal logic while making business decisions.

Werhahn et al. (2015) established a conception of a firm-level effectuation orientation. Depending on a literal examination, Sarasvathy (2001) tackles the effectuation features of means, collaboration, affordable loss, contingency, and control orientation (Werhahn et al., 2015). Werhahn et al. (2015) did not include a firm-level orientation perspective on causation in their attempt. A strategic orientation is defined as a "managerial ability to drive a company's organizational members to continuously contribute and exploit their means (knowledge, experience, competencies, networks, preferences, interests, and so on) to the greatest extent possible" (Werhahn et al., 2015). This term refers to the resources that are available or attainable

as a starting point for developing a strategy, which is defined as "choosing between feasible outcomes" (Sarasvathy, 2001).

Partnership orientation is a strategy approach in which a company's managers "push employees to consider new market actors as potential partners, to identify those partners who are willing to make ex-ante commitments, and finally to approach them" (Werhahn et al., 2015). It helps reduce uncertainty in a situation by making commitments in advance (Chandler et al., 2011). New business models may be developed using pre-commitments (Brenk et al., 2019). According to Harms et al. (2020), stakeholders must be included in the COVID-19 rehabilitation. Repeat customers are proposed as a network resource by Breier et al. (2020).

The term "affordable loss orientation" refers to a strategic strategy based on the concept of a manageable loss. An investment choice is made based on the notion of an "affordable loss," which evaluates whether a loss would have significant negative repercussions rather than profit possibilities. According to the definition of "affordable loss," individual members of a company are expected to make choices based on this concept, such as which projects to start or pursue (Werhahn et al., 2015).

When new information needs a change, a manager must be able to motivate his or her employees to make rapid, inventive, proactive, and successful modifications, in other words, to utilize contingencies continually and as advantageously as possible" (Werhahn et al., 2015).

Contingencies are not seen as bad, but rather as a resource for entrepreneurs in this perspective.

This mentality is connected to the capacity to change one's perspective (Chandler et al., 2011).

According to Kaushal and Srivastava (2020), the "preparedness for unforeseen changes" of hotel workers is a critical worry while dealing with COVID-19, according to the authors.

People who work for managers who have a focus on managing or moulding their company's environment are referred to as "control-oriented" managers. (Werhahn et al., 2015) By making precommitments, entrepreneurs may decrease the uncertainty of the future by seeking to control some aspects of it.

### **2.2.1.2 Causation**

Workers who are given the ability to perceive and predict the future can better use current resources, which is the focus of causality orientation (Chandler et al., 2011). Scholars have conducted investigations to find out whether the components of effectuation and causation work together (Galkina & Lundgren-Henriksson, 2017; Smolka et al., 2018; Yu et al., 2018). In the past, entrepreneurs have been characterized as people who perceive opportunities and then take advantage of them to attain pre-determined outcomes (Bhave 1994). Sarasvathy (2001) refers to a kind of decision-making reasoning in which entrepreneurs begin with a certain goal in mind and then develop a plan that involves the use of tools such as market segmentation to accomplish that goal. The ability to prepare and anticipate the future for an entrepreneur.

(Wiltbank et al. 2009) means that an entrepreneur may take measured risks in the present. What Mintzberg and Waters (1985) describe as a purposeful strategy is exactly what this firm is doing: setting a goal, developing a plan, and putting it into action to meet that objective.

To avoid communication gaps, improve resource flows, and retain command of objective attainment, companies may prepare ahead of time. For the new product to be sold, it helps and guides entrepreneurial activities, including product development and firm organization (Delmar & Shane 2003). It is also easier to make decisions when a company strategy is in place. Researchers like Salomo, Weise, and Gemünden (2007) showed that this has a positive correlation with the

success of innovation. For example, causality has been linked to innovation by Palmié et al. (2019), for example, who use Brinckmann, Grichnik, and Kapsa (2010) to make their case (as part of the entrepreneurial orientation construct).

As a result of their research and planning efforts, leaders may be able to create clear innovation objectives that can subsequently be conveyed to their workforce (Coudounaris & Arvidsson, 2021). Thus, the whole company is working toward the same creative aim, resulting in an increase in original output. We contend that a causal decision-making logic relates to an organization's creative performance for the reasons stated above.

### **2.2.1.3 Bricolage**

Claude Lévi-Strauss (1962) is credited with developing the concept of bricolage, which Baker and Nelson (2005) popularized in their studies on entrepreneurship. Making do with what you have and not giving up in the face of adversity is referred to as "making the most of what you have" (Baker & Nelson, 2005; Cheung et al., 2019). Exploration and innovation are the tools of the bricoleur (Lévi-Strauss, 1962). It's possible to use materials, equipment, and skills that you've accumulated through time in unexpected ways. Other people may have missed or misunderstood them. Materials, rules, and institutions are all areas where bricolage may lead to new businesses, new inventions, or the creation of new organizations or institutions (Baker & Nelson, 2005).

A greater grasp of bricolage's boundaries is needed before it can be substituted or replaced by other entrepreneurial activities, as is the case with effectuation (Stinchfield et al., 2013; Senyard et al., 2014). Examining the intersection of these two approaches might be beneficial due to their conceptual similarity and focus on comparable research goals (Fisher, 2012; Welter et al., 2016). Lévi-Strauss (1962) introduced the term "bricolage" and the notion of the "bricoleur," a person

who creates arrangements out of whatever materials are at hand. As Baker and Nelson (2005) put it, "bricolage" is a phrase used to describe how individuals in tough circumstances modify the available resources to satisfy their requirements (Baker & Nelson, 2005).

Organizations may apply communal bricolage (Scazziota, 2019) via action, knowledge, and a common goal. A bricolage perspective refutes the idea that those who are more diligent find more chances because they are better at finding them (Kirzner, 1973). Bricolage is founded on the idea that an actor may use a social structure to manipulate resources in constrained spaces. For the sake of evaluating an organization's entrepreneurial activity inside an institutional framework, bricolage integrates theories of resources, structuralism (Lévi-Strauss, 1962), enactment (Weick 1993), sense-making (Baker & Aldrich, 2000), and creativity (Baker & Aldrich, 2000), as well as Aldrich's co-evolutionary viewpoint (Baker & Aldrich, 2000).

### **2.3 Enterprise Performance.**

Knowledge has become the most important production factor for businesses in the knowledge-based economy, contributing increasingly to the process of enterprise value creation. Intellectual capital, along with financial and labor capital, is now the "third resource" that promotes enterprise development (Nhemachena & Murimbika, 2018). Investment in intellectual capital and operations is more directly related to economic growth. Entrepreneur enterprise performance reflects how far we've come toward achieving a specific goal, as well as whether the enterprise can be considered successful. Entrepreneurial intellectual capital has several dimensions, according to intellectual capital theory (Kiang, Cao, Yue, & Chang, 2016; Mokaya, 2012). The paper also discussed how much intellectual capital contributes to entrepreneurial enterprise performance, which is increasingly becoming a core competency (Mokaya, 2012).

As a result, the research investigates the connection between entrepreneurship, entrepreneurial strategies, and business performance. Additional research on the constituent elements of entrepreneurial strategies, as well as empirical research using a questionnaire on the relationship between entrepreneurial strategies and enterprise performance, will be conducted to provide useful suggestions for improving enterprise performance based on the most recent theory of intellectual capital (Kiang, Cao, Yue, & Chang, 2016; Mokaya, 2012). Entrepreneurs must be motivated to implement activities that contribute to the achievement of their goals, which typically include venture performance, growth, and sustainability, to create and sustain successful enterprise ventures (Chedli, 2016; Collins, Hanges, & Locke, 2004).

Entrepreneurial motivations are defined by Robichaud et al. (2001) as the goals that entrepreneurs would like to accomplish through owning of their business enterprises. Many such entrepreneurial motivations impact business success through the entrepreneur's doings, that included production and strategies (Delmar & Wiklund, 2008; Robichaud et al., 2001; Stephan et al., 2015; Wiklund & Shepherd, 2003a). Entrepreneurial attention has turned away from traits and toward factors such as competencies, motivation, and cognition, which are based on complex models that better explain the relationship between performance and these factors (Baum & Locke, 2004). The current study, which builds on previous research, estimates the effects of entrepreneurial motivations on enterprise performance.

Achievement motivation, according to McClelland (1961, 1965c), should be associated with favorable entrepreneurial performance. Innovative business encouragement has been explored as a key driver of entrepreneurial behavior (Barba Sánchez and Atienza-Sahuquillo, 2012; Edelman, Brush, Manolova, and Greene, 2010; Machmud and Sidharta, 2016; Stefanovic, Prokic, and

Rankovic, 2010). The research discovered significant and positive links between achievement motivation and enterprise performance. According to Nhemachena and Murimbika (2018), different combinations of entrepreneurial motivations, such as success and financial success vs. success and social success, can result in different business performance outcomes.

## **2.4 ENTREPRENEURIAL STRATEGY AND ENTERPRISE PERFORMANCE**

### **2.4.1 Effectuation and Enterprise Performance**

An entrepreneur's decision-making process is described by the term effectuation (Sarasvathy, 2001). Entrepreneurs launching a new product into an untapped market may be short on market data (e.g., sales forecasts, market share, market competition). How talented entrepreneurs think when faced with uncertainty is outlined by the four principles of effectuation theory. However, entrepreneurs prefer to concentrate more on the short-term experiments than the longer-term plans. When it comes to forecasting investment, revenue, or loss, businesses are more worried about taking a loss than they are with making an accurate forecast.

They feel that a strategic relationship is crucial to alleviating their anxieties about what the future holds. Fourth, entrepreneurs are open to changing their approaches as new opportunities arise (Sarasvathy, 2001). Sarasvathy thought of effectuation as a multi-dimensional thing, and Chandler et al. (2011) utilized this to conceive it as an entity with four dimensions, each drawn from a different principle by Sarasvathy. Ever since Chandler et al. (2011) extensive evaluations, researchers have studied and analyzed effectuation and its favorable relationship to performance in a variety of contexts and under diverse external stresses.

Several studies have found that an implementation plan can improve a company's performance (Yu et al., 2018). Researchers discovered a mixed response to studies on the relationship between effectuation and performance. Minor or negative correlations between effectuation and company performance were discovered in a few studies. Yu et al. (2018), for example, investigated effectuation and company performance in three distinct regions: Beijing, Shanghai, and Hangzhou. The authors discovered that effectuation had no effect on the company's performance in a variety of areas. They were unable to demonstrate that effectuation improves firm performance when environmental uncertainty is low. The advantages and the negatives of effectuation are likely to cancel each other out, leading to a negligible net effect".

Therefore, it is hypothesized that.

H1: There is a positive relationship between effectuation and enterprise performances.

According to the authors, there is a limit to an effectuation approach. It has been claimed that the environments and conditions in which businesses operate can contextualize effectuation. It is possible to believe that effectuation can help a company perform better, but there are some limitations, and it may have different effects in different situations (e.g., innovation versus financial performance, small business vs. established businesses), as discussed previously. For an effectuation strategy to work, it must take advantage of the various external factors that might influence it. Firm performance has been evaluated in the meta-analysis literature by two metaanalysis publications. New venture success and effectuation were studied by Read et al (2009).

All factors of effectuation except affordable loss were demonstrated to be significantly and positively connected with the success of new ventures. Despite this, there are three major flaws in their study. According to these experts, there are no context-related factors that might explain the relationship between effective and successful company. The emphasis on content published in the *Journal of Business Venturing* may limit its applicability to a wide range of scholarly fields. In 2009, there was no Chandler's scale of measurement for the third time. Nonetheless, mainstream effectuation research has embraced it since 2011. As a reaction to these constraints, we are conducting this research to uncover contextual aspects that might explain variances in impact magnitude and business success.

Using a meta-analytic approach, Read et al. (2009) discovered positive effects of effectuation on venture success by extracting relevant elements from prior research. First, experimentation allows companies to develop and implement goals incrementally and seize opportunities in an everchanging environment; second, affordable loss lets companies reap the benefits of unpredictable outcomes at low costs; third, flexibility lets companies take advantage of contingencies, according to Cai et al. (2017).

#### **2.4.2 Causation and Enterprise Performance**

According to Brettel et al. (2012), initiatives with a low degree of creativity may benefit from the focus on objectives, anticipated rewards, and overcoming the unexpected in causal thinking. Corporate strategy can direct activities by setting goals, operational plans can increase authenticity by demonstrating the business's survivability and practicability, and corporate strategy can signal the contribution of business owners to the venture and improve academic performance, according to Smolka et al. (2018). Causational thinking is more successful in stable and predictable

environments, such as those in which market conditions are recognized and accurate information is readily accessible. Because of this, a well-developed financial system will enhance the potential of entrepreneurs to benefit from causality, which is a technique that investors are already acquainted with (Fisher, Kotha, & Lahiri, 2016). It's possible that depending on a system, planned strategy could hinder a company's ability to adapt quickly enough to unexpected events, particularly as the environment changes (Alvarez & Barney, 2007).

Causation is ideal in these cases because it helps entrepreneurs to remain focused and productive, since these conditions are consistent and predictable. The capacity of firms that use causal reasoning to benefit from its most important components may be hampered in nations with low quality human capital. Despite their best efforts at forecasting and planning, entrepreneurs are still unable to get the personnel and other resources needed to achieve their goals and turn a profit (Jiang & Tornikoski, 2019). An entrepreneur may also have difficulty determining the quality and amount of readily available human capital, making it difficult to design methods for amassing the resources required to carry out a certain plan of action. Based on these antecedents, we expect causality to increase performance in environments where entrepreneurial development standards have been established and entrepreneurial activity is seen as an important component of economic growth.

Therefore, it is hypothesized that.

H2: There is a positive relationship between causation and enterprise performance.

### 2.4.3 Bricolage and Enterprise Performance

In recent years, interest in entrepreneurship has grown, and so has the number of frameworks that explain why entrepreneurs act in the manner they do. In contrast to prior views, current theories have focused on entrepreneurs' access to resources rather than the supply and demand imbalance. A hypothesis developed by Levi-Strauss (1962) that analyses how entrepreneurs exploit chances by generating distinctive services with limited resources is known as entrepreneurship bricolage (EBR) (Fisher, 2012; Ferneley & Bell, 2006). Due to India's growing economy, the availability of cheap and competent labor, and reduced political instability, the startup ecosystem in the nation is fast changing.

Entrepreneurial bricolage theory holds that the choices entrepreneurs make when confronted with limited resources influence bricolage activities and company performance (Davidsson et al., 2017). Bricolage activities may aid entrepreneurs in overcoming resource limits, but they can also work against the success of the business in the long run (Fisher, 2012). The literature discusses the use of bricolage theory to entrepreneurship and the organization (Baker & Nelson, 2005; Garud & Karne, 2003). Bricolage mentality or background is considered essential to long-term success for entrepreneurs (Phillips & Tracey, 2007).

Bricolage is a kind of entrepreneurship in which an entrepreneur "makes do" with what he or she has and explores new possibilities with what he or she has available (Baker & Nelson, 2005).

(Senyard et al., 2014). It also refers to the concept of "creating something out of nothing," with "nothing" referring to underused resources that may be recombined to produce new resources. To take advantage of the challenging possibilities presented by EBR, social, human, and financial resources must be put to effective use (Gundry et al., 2011).

Therefore, it is hypothesized that.

H3: There is a positive relationship between bricolage and enterprise performances.

## **2.5 TYPOLOGIES OF ENTREPRENEURSHIPS**

"Entrepreneur" is a French word which means "between-taker" or "go-between" in English (Hisrich et al., 2016). An entrepreneur is a "go-getter" who pushes the global market forward by making it more productive, cost-effective, affordable, and plentiful. Entrepreneurship is a sort of dynamic risk-taking and economic expansion activity (Rutherford, 2017). "An entrepreneur is eager to chase opportunities in scenarios that others regard as difficulties or threats," says another entrepreneur (Schermerhorn et al., 2020).

However, after over a century, Schumpeter's concept of entrepreneurship continues to pique interest as a precursor of successive entrepreneurship models that emphasize entrepreneurship as a diverse business activity—planning, financing, production, and, most importantly, having taken control over business success and failure. Schumpeter's entrepreneurship model is regarded as evolving, as it is linked to the development of new technologies and products.

### **2.5.1 Necessity and opportunity entrepreneurs**

To an organization, causation and effectuation refer to the logics that guide strategic decision making in the pursuit of the organization's goals (Nummela et al., 2014). The logic of strategic decision-making that assumes certain goal consequences are given and focuses on how to get them is referred to as "causation" (Sarasvathy, 2001). Setting objectives (target effects), looking at predicted returns, organizing efforts, and prioritizing competitive analyses are all part of causality's strategy (Chandler et al., 2011; Reymen et al., 2015). Nummela et al., (2014) and Sarasvathy,

(2001) explain causation as the conscious decision-making logic for focusing on the selection of various effects that may be achieved using a set of recognized procedures, rather than causality.

Effectuation refers to the process of accumulating pre-commitments and strategic alliances, as well as selecting ways and keeping an eye on a controllable loss (Chandler et al., 2011, Sarasvathy, 2001). Evidence reveals that causation, as well as the ability to influence outcomes, has a positive influence on performance (Brettel et al., 2012; Cai et al., 2017; Roach et al., 2016; Smolka et al., 2018). There have been several studies that draw their results from the above-described concepts of causation and effectuation, such as goals/means drivenness, focusing on projected returns/affordable losses, contingency planning, and competitive analysis/partnership.

Many people find themselves in a quandary when it comes to balancing their personal happiness with their need for resources. According to this theory, the degree of actual autonomy available to need-based entrepreneurs is on par with that available to opportunity-based ones. A counterargument is that those who are more likely to start their own businesses should be more likely to work for themselves since they may have less options for fulfilling work elsewhere. Opportunity entrepreneurs, however, are predicted to have a higher subjective well-being than necessity entrepreneurs. Personal objectives that are aligned with one's inner aspirations contribute to subjective well-being, according to goal theories. As an opportunity entrepreneur, your aims go beyond the essential necessities and incorporate values that are more important to you (Dalborg & Wincent, 2015)

Unemployed entrepreneurs who started their own firms are compared to entrepreneurs who left their professions to create their own enterprises in a study published by Binder and Coad (2013).

According to the researchers, opportunity entrepreneurs are more satisfied with their career choice than necessity entrepreneurs, who stay in (un)employment, as compared to the control groups.

Opportunity-based entrepreneurs start businesses even if they have at least one other job option. To explore new opportunities and gain independence or self-fulfilment, these entrepreneurs create businesses (Baptista et al., 2014).

People that establish businesses out of need have no other option than to do so (Bergmann & Sternberg, 2007). To put it another way, these entrepreneurs are individuals who create firms out of necessity or without their consent (Bourlès & Cozarenco, 2018). We hypothesize, based on previous research, that entrepreneurs motivated by a sense of urgency are less likely than those motivated by a sense of opportunity to get outside funding. Entrepreneurs who start firms out of need have less time to prepare than entrepreneurs who start businesses because of an opportunity. It is possible to employ equivalent arguments regardless of preparation time for human capital to help opportunity-based firms secure external investment (Chrisman et al., 2005; Haber & Reichel, 2007).

## **2.6 RELATIONSHIP BETWEEN ENTREPRENEURIAL STRATEGIES, ENTREPRENEUR TYPOLOGY AND ENTERPRISE PERFORMANCE**

Researchers and practitioners have been working together since Schumpeter (1934) to learn more about what drives innovation and how it affects a company's success. While some academics describe innovation as culture, behavior, innovation inputs, or innovation outputs, another set of academics define innovation as a combination of these four elements: (Tellis et al., 2009; Rosenbusch et al., 2010). It is thus impossible to say whether innovation influences corporate success (Kyrgidou & Spyropoulou, 2013; Story et al., 2014). There are many factors that influence success in the marketplace, such as the status of one's social standing, the amount of money one

can make, and the level of self-realization one can achieve (Giacomin et al., 2007); however, innovation, independence, recognition of one's role, and financial success are all factors that Carter et al. (2003) point to. They also point to the importance of self-realization, as well as the importance of self-awareness. (Shane et al., 1991).

During times of low unemployment, opportunity entrepreneurs look for new business opportunities and launch new ventures. The term "opportunity entrepreneur" refers to an entrepreneur who makes use of commercial possibilities in order to advance the economy (Cheung, 2014). Entrepreneurial motivations have been studied by academics in a similar fashion (Shane & Venkataraman, 2000; Wiklund & Shepherd, 2005). It's been difficult to find a connection between entrepreneurial philosophy and corporate performance. It has been difficult to connect entrepreneurial tactics to corporate performance. In recent decades, a great deal has been discovered about the link between entrepreneurship and innovation and the success of companies.

Necessity entrepreneurship on the other hand is a widespread phenomenon, despite its lack of glamour (Poschke, 2013), and it has been shown to provide excellent outcomes worldwide. A study from Germany shows that businesses founded by entrepreneurs out of need often succeed, enabling them to establish a new economic foundation (Munich, 2004; Dencker, Gruber, & Shah, 2009b). Our theoretical understanding of requirement entrepreneurship is still extremely limited, despite the fact that considerable accomplishments have been achieved (Brewer & Gibson, 2014; Vivarelli, 2013). In light of these developments, Sarasvathy (2001) evolutionary theory of effectuation is emerging as one of the most promising theories for entrepreneurship research (Perry, et al., 2012; Brettel et al., 2012; Read et al., 2009). The concept of "effectuation" challenges the conventional view of entrepreneurship as being dependent on cause (Morris, 2009). There is a

notable lack of scholarly effort to bridge the gap between discovery and implementation (Berends et al., 2014; Brettel et al., 2012). It is for these reasons that this research seeks to bridge an existing knowledge gap in effectuation theory and the study of entrepreneurial innovation.

Instead of adapting to the environment, effectuation encourages experimenting, which results in exaptation's (Dew et al., 2008b). Exploration makes use of the readily available packages of materials in new and unexpected ways. Exceeding one's original intent is known as "exaptation," and refers to the act of making use of resources or tools in ways they were not intended to be used. Effectuation, coupled with a culture of innovation, enables the exploitation of present resources in new and novel ways. This method of effectuation creates valuable heterogeneity within the organization, resulting in a competitive advantage over the long term.

Therefore, it is hypothesized that.

H4: Entrepreneurship typology moderates the relationship between effectuation and enterprise performance.

This kind of entrepreneurialism flourishes in such communities (Bhola et al., 2006). Many people, especially those who have held administrative roles, are better at seeing opportunities and starting businesses (Colombo et al., 2004). According to Baptista et al. (2014) opportunity-drivenness was more prevalent among entrepreneurs who were previously employed. Only those innovators who have never been jobless have a better chance of effectively engaging in opportunity discovery, which requires knowledge of industry, technology, organizational processes, and market tactics. According to Sarasvathy (2001), the most important aspects affecting the logic used are the degree of uncertainty and the number of materials handled by that organization. It is more likely that

effectuation will occur in an unstable and unpredictable environment, while causation is more likely to occur in a stable and predictable setting. Causal reasoning becomes necessary as the company expands and its knowledge increases (Read & Sarasvathy, 2005). According to Harms and Schiele (2012)'s study on student entrepreneurs and the rationale they favored, this hypothesis is supported in an indirect way. It has been shown that effectuation enhances new venture success and development (Gregoire & Cherchem, 2020).

Therefore, it is hypothesized that.

H5: Entrepreneurship typology moderates the relationship between causation and enterprise performance.

Researchers have also observed disparities in socioeconomic characteristics (Block & Wagner 2010), human capital endowment, work satisfaction, venture performance, economic development, and market entrance strategy among necessity entrepreneurs (Acs & Varga, 2005; Block & Koellinger, 2009; Kautonen & Palmroos, 2010). People who are out of work are more inclined to establish a company since they have no other choice than to do so (Deli, 2011). Several factors have been identified as "push factors," including the inability to advance in one's career (Kirkwood & Campbell Hunt, 2006; Robichaud et al., 2010), difficult economic conditions and frustration at the workplace (Hisrich & Brush, 1985).

According to Feng, Ma, Shi and Peng (2020), By establishing clear strategic goals and choosing the best methods based on available resources, capabilities, and environmental conditions, causality maintains that businesses may attain established goals. This decision-making logic establishes the objective through market research and environmental analysis, and then searches

the alternatives for a practical way to carry it out. To optimize expected profits, causality also promotes risk minimization through competitive analyses and company strategy.

It has been found by Alvarez and Busenitz (2001) that entrepreneurially oriented firms are more likely than those that are less entrepreneurial to take risks to create new prospects for growth and profits. If a corporation had more entrepreneurial opportunity (EO) disposition, for example, it would be able to identify and respond to market gaps and developing consumer needs before the competitors (Donbesuur, Boso & Hultman, 2020). Companies who join the market early and effectively take advantage of new market possibilities ahead of the competition may diversify their income sources, minimize their revenue sensitivity to rival invasion, and service innovative consumer market groups first.

Consumers are more prepared to pay higher prices for new goods and services, therefore EO businesses have a better chance of making a profit before their rivals do (Sundqvist, Kyläheiko, Kuivalainen, & Cadogan, 2012). Despite their widespread use as resource-constrained strategies, bricolage raises several important questions regarding their role in social entrepreneurship that have yet to be answered. The effectiveness of bricolage in generating improved performance is still up for debate considering previous research that considered it as a constructively good but 'second-best' response to resource constraints rather than a planned strategy for the effective mobilization of resources (Garud & Karne, 2003).

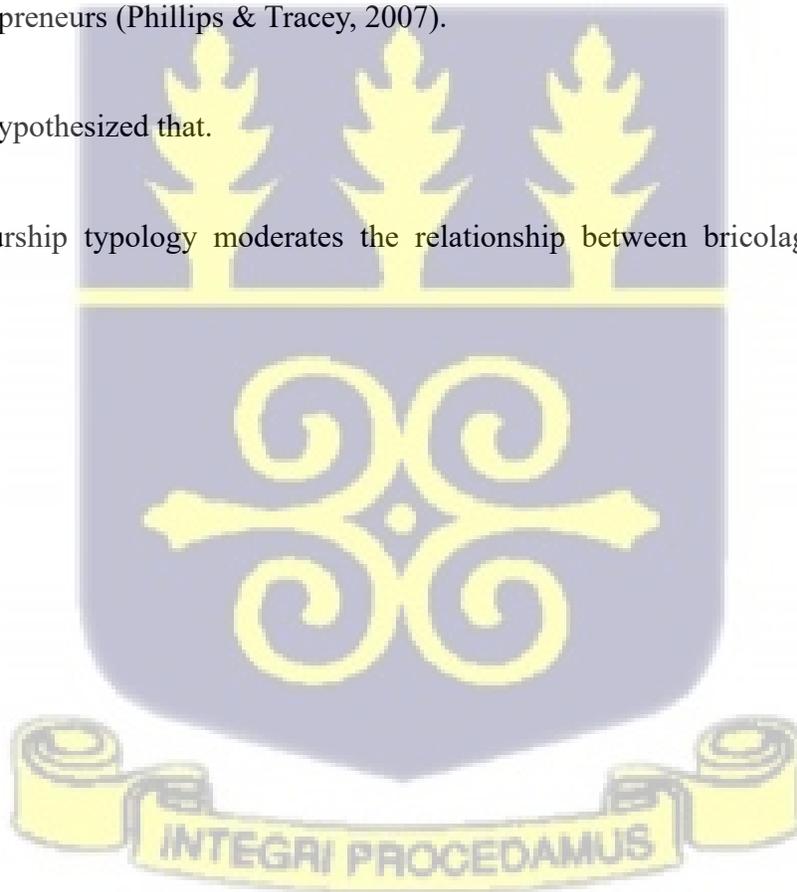
The outcome is that the strategic choices of necessity-driven entrepreneurs (Block et al. 2015; Caliendo et al., 2015) are inadequate, and their businesses are tough to thrive (Brinckmann et al., 2010). When it comes to external financial sources, necessity-based entrepreneurs are less desirable, which makes it more difficult for them to get funding. Even if an entrepreneur's

preparation level is low, large levels of human capital may make it considerably simpler for necessity-based businesses to get external financing. Entrepreneurial bricolage proposes that business performance is defined by the choices entrepreneurs make given the limited resources available for bricolage activities (Davidsson et al., 2017).

However, bricolage actions may assist company owners overcome shortages while at the same time working against their own success (Fisher, 2012). This research highlights the use of bricolage theory to entrepreneurship and the workplace (Baker & Nelson, 2005; Baker, 2007; Garud & Karne, 2003). Bricolage mentality or background is considered essential to long-term success for entrepreneurs (Phillips & Tracey, 2007).

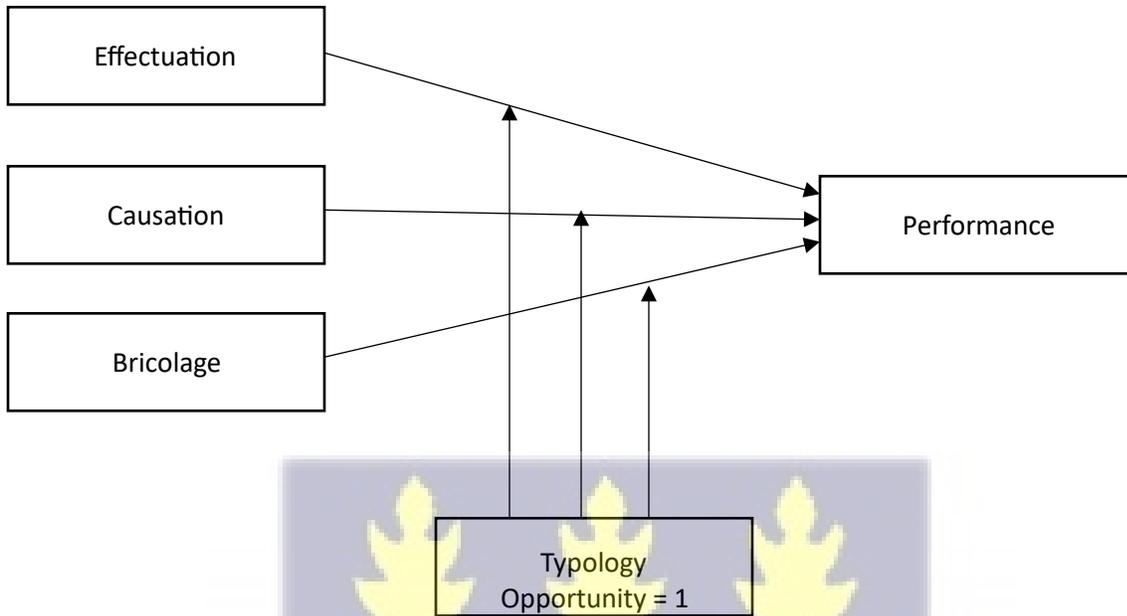
Therefore, it is hypothesized that.

H6: Entrepreneurship typology moderates the relationship between bricolage and enterprise performance.



## 2.7 Conceptual Framework of The Study

*Figure 1: Conceptual Framework*



Source: Author

The conceptual framework of the study encompasses the relationship that exists between entrepreneurial strategy and enterprise performance and the moderating role that entrepreneur typology plays on the relationship stated above. The constructs under entrepreneurial strategy that will be discussed for this study are effectuation (Sarasvathy, 2001), causation (Sarasvathy, 2001), and bricolage (Baker & Nelson, 2005). Moreover, the constructs under the entrepreneur typology that will be discussed for this study are opportunity and necessity (Dencker, Bacq, Gruber & Haas, 2021).

## CHAPTER THREE

### CONTEXT OF THE STUDY

#### 3.0 INTRODUCTION

The section of this study is being conducted to aid in a better understanding of the study, hence a deeper disclosure of information is required. To demonstrate the relevance of the study's chosen setting, this chapter searched existing literature, online publications, and reports on the enterprise performance across Ghana. The chapter begins by giving a brief history of entrepreneurial strategies in the Ghanaian context, the types of entrepreneurs, enterprise performance in the Ghanaian context and the research area (population). The chapter also discusses an overview of SMEs as well as their impact on economic development of Ghana.

#### 3.1 ENTREPRENEURSHIP

Entrepreneurship is defined by Carlsson et al. (2013) using their knowledge of the entrepreneurship field. Entrepreneurship, according to the scholar, is "an engine of economic growth undertaken by individuals and institutions to recognize and generate new and to implement their ideas into the market under uncertainty" through policy choices about location, product design, resources, and reward systems. Social and economic factors have an impact on business activity and endeavors, which in turn lead to economic development and human well-being. " (Carlsson, 2013). So far, no definition of entrepreneurship has been universally agreed upon, even though there are numerous points of view in the research world, the commercial community, and the public.

Creating new businesses and being an entrepreneur, as we define the term, are central to most people's understandings of what it means to be an entrepreneur. The concept that several

(university) entrepreneurship courses and texts successfully explain how to start and run a (small) business is proof of this. In addition, entrepreneurship is frequently depicted in popular literature and business journals as individual accomplishments and "how-to" tactics. Many definitions of entrepreneurship in the past have focused on the entrepreneur as a person (Venkataraman, 1997). This phrase, which has been in use since the Middle Ages, is derived from the French verb *entreprendre*, which means "to take one's own hands" (Bacq & Janssen, 2011). According to one of the early researchers of entrepreneurship, Jean-Baptiste Say, "the entrepreneur moves economic resources out of a low productivity region and into an area of high productivity and larger output" (Dees, 2001).

Entrepreneurship seems to be well known nowadays, with the current era purporting to be an era of entrepreneurship (Becker et al., 2012), and the principle of entrepreneurship appearing to pique the interest of everyone, particularly young people with a decent education. The origins of entrepreneurship may be traced all the way back to the Egyptian pyramids (Hisrich et al., 2016). Gaining access to something new and substantial is referred to as "achievement". It also entails the creation of wealth in the form of essential commodities, as well as an increase in economic prosperity. As a result, it now addresses a broader variety of issues, such as environmental protection and ethical and value-based corporate operations. It's being at the forefront of something new and unusual, moving contemporary society forward to new heights, from necessities to pleasures to luxuries and super-luxuries (Ahmed, 2016a).

For some years now, entrepreneurship has been viewed as a solution to some economic problems like unemployment. Some may argue that entrepreneurship is not cheap and that deters individuals with entrepreneurial ideas. When it comes to entrepreneurship, there is no strict (cast in stone) format to follow, and the ways of venturing enterprise creation differ from one entrepreneur to the

other. Organizations guide entrepreneurial talent towards productive enterprise in an entrepreneurial society (Audretsch 2007). Any type of venture creation that contributes, whether wholly or partly, to economic growth, net productivity, or the ability to manufacture further output is referred to as "productive entrepreneurship" (Baumol 1993). To develop output, the business owner ultimately integrates economic materials such as labor, finance, and knowledge. At this point, organizations control whether, how, and on what terms business owners can obtain these inputs.

Productive entrepreneurship is defined as entrepreneurship that results in ingenuity and, as a result, substantial economic growth (Baumol 2010). According to existing research on growth in the economy, corporations are a fundamental source of economic growth, impacting more proximal elements such as the accumulation of physical and human capital (Hall & Jones, 1999; Acemoglu et al., 2005). Organizations, according to Baumol (1999), ultimately promote the distribution of entrepreneurial skills in a community. He proposed an integrative approach wherein organizations are the basic source of progress, regulated by entrepreneurial activity as a cause.

According to Richard Cantillon, "the father of enterprise economics" who has conducted research on the role of the entrepreneur in economics, entrepreneurs create and trade goods and services in marketplaces while also dealing with unpredictability (Cantillon, 2010). "Entrepreneur" was originally deciphered as "undertaker," but this has now been changed to "businessman" (Cantillon, 2010). Austrian economists like Joseph A. Schumpeter, as well as others, began focusing on entrepreneurship in the 1920s and 1930s (Carlsson et al., 2013). "Innovators who drive the creative-destructive process of capitalism" was how Schumpeter defined entrepreneurs (Dees, 2001).

As the focus of economic research shifted to larger enterprises in the early 1950s, social psychologists like David McClelland were willing to concentrate much more on entrepreneurship. Because of this, more and more research on entrepreneurship has focused on the entrepreneur's psychological and social traits. Entrepreneurs have been studied extensively because they are the driving force behind change and progress, which makes it appropriate to concentrate on them as a study object. There has been a surge in interest and significance in tiny and newly created businesses because of economic shifts since the 1980s.

Entrepreneurship as a topic of study was born out of this and has since become more prominent in popular literature and academic courses. A quote from Drucker (1985b): "The entrepreneur continually hunts for change, reacts to it, and takes advantage of the 16 opportunity that it presents." It has been said that successful entrepreneurs "strive to provide value and make a difference" (Drucker, 1985b). Schumpeter and Drucker both argued entrepreneurship "describe a mindset and a sort of conduct that may be displayed anywhere" by Dees (2001). Experts from a wide range of area of entrepreneurship, and their conclusions are informed by the premises of those fields when they attempt to define it (Bacq & Janssen, 2011).

As of now, entrepreneurship is "one of the most active and dynamic social sciences" in management and economics as well as regional science and other social sciences, according to the authors of this paper (Wiklund et al., 2011). It has been difficult to agree on the limits of the discipline of entrepreneurship research. Even if many subfields have emerged throughout time (Carlsson et al., 2013), the question of whether entrepreneurship should be treated as a distinct subject or as a study issue within other areas is still debated to this day (Wiklund et al., 2011). Dees (2001) argued that entrepreneurship "describes a mindset and a sort of conduct that may be

displayed anywhere.” Experts from a wide range of areas of entrepreneurship and their conclusions are informed by the premises of those fields when they attempt to define it (Bacq & Janssen, 2011). As of now, entrepreneurship is "one of the most active and dynamic social sciences" in management and economics as well as regional science and other social sciences, according to Wiklund et al., (2011). It has been difficult to agree on the limits of the discipline of entrepreneurship research. Even though many subfields have developed over time (Carlsson et al., 2013), the question of whether entrepreneurship should be studied as a separate field or as a study issue in other fields is still being discussed (Wiklund et al., 2011).

Previously, experts dismissed the importance of "Schumpeterian Entrepreneurs" in the early stages of development. However, it becomes critical later in development when economic expansion is fueled by knowledge and competition. Economic development will be largely driven by "the emergence of ability, intelligence, and information" as global economic forces, which has significant implications for managers and investors managing their businesses in a more competitive market. According to Ali et al. (2020), marketing and promotion strategic flexibility have a significant impact on the financial success of SMEs, but practice and overall organizational innovativeness have a positive impact on operational performance of SMEs.

Most entrepreneurial studies have been theory-driven and have focused on small, young, or owner managed businesses. There has been a transition from the context-based approach to the phenomenon-based view is advocated, in which they say that entrepreneurial activity is more concerned with the "development of new economic activity" than a phenomenon. It is possible to expand the scope of the entrepreneurial idea into other fields like social enterprise thanks to this perspective (Wiklund et al., 2011). According to Sarasvathy and Venkataraman (2011), it has taken

almost four decades for scholars in the field of entrepreneurship to get to any kind of consensus or widely accepted ideas.

### 3.2 ENTREPRENEURSHIP IN GHANA

There is a wide variety of opportunities for entrepreneurs in Ghana (White, 2011). Enterprises of all kinds, both big and small, local, and international, are spread out over the country's rural and urban regions. Small businesses (those that employ one person) are included in this spectrum as well as multinational conglomerates (employing hundreds). However, most businesses in Ghana are small or medium-sized enterprises (SMEs) (Endris & Kassegn, 2022). The focus of this research is on the role of entrepreneurship in the Ghanaian economy. Most studies addressing entrepreneurship in Ghana focus on small and medium-sized enterprises (SMEs) and the entrepreneurs that run them since SMEs are the backbone of the Ghanaian economy. Entrepreneurship is more important than ever in today's complicated global market for gaining a sustained competitive edge (Wiklund and Shepherd, 2003; Li et al., 2005; Covin and Miller, 2014). Small businesses and entrepreneurs in developing nations have their own unique traits and qualities that set them apart from their larger business and entrepreneurial counterparts in the industrialized nations. Entrepreneurship in poor nations like Ghana is labor intensive, sector and gender diversified, and highly efficient (Reuber & Fisher, 2000). According to Abor (2017), "one-person businesses" make up the vast majority of Ghana's self-employed (p. 4). Half of Ghana's small and medium-sized enterprise (SME) workforce consists of "working proprietors," or business owners who also work in the company but are not compensated for their time (Abor, 2017). Accordingly, small businesses have lower expenses than huge corporations when it comes to creating new jobs (Anheir & Seibel, 1987).

And even though most Ghanaian SMEs are involved in retail, trading, and manufacturing, they operate in a wide variety of industries. Although small and medium-sized enterprises (SMEs) manufacture goods, they do so mostly in regions with abundant raw resources, strong consumer demand, and well-established export markets. Small and medium-sized businesses in Ghana are known for having a lower presence in the capital market than major corporations (Ackah & Vuvor, 2011). Unfortunately, this means that many SMEs lack the resources necessary to function efficiently and grow (Aryeetey et al., 1994; Abor & Biekpe, 2006).

Moreover, Ghanaian business owners are less interested in expanding into international markets and more concerned with serving the needs of their own country. True, only a small number of business owners have shown export competence and a desire to expand internationally. As an added complication, many Ghanaian firms are run by families with limited access to technology and manpower (Ackah & Vuvor, 2011). In fact, the typical owner of a small or medium-sized enterprise (SME) in Ghana is an individual with limited formal education, who frequently lacks the technical knowledge required to use new innovative ideas or gain access to financial resources, is who is personally accountable for the enterprise's tactical and analytical management? (Ackah & Vuvor, 2011).

Democracy and economic growth in Ghana are examples of the country's achievement in SubSaharan Africa. GDP growth has been volatile (PWC, 2014). Despite the GDP's volatility, the nation is considered one of the most promising due to the finding and drilling of oil. As a country in West Africa, Ghana is under-represented in the little literature on social entrepreneurship. Darko and Koranteng (2015) and Agyeman-Togobo, Togobo, Darko, and Sharp (2016), who also looked at the "status of social entrepreneurship in Ghana," are two groups whose work on the topic

deserves mention. Note that the British Council Ghana has funded and managed these initiatives in an aim to improve Ghana's SE ecosystem.

To date, there is little academic exploration of the idea of social entrepreneurship in Ghana. British Council Ghana commissioned an ecosystem analysis of SE activities to offer context for the growing problem (Darko & Koranteng, 2015). The existence of social entrepreneurship in the context of Ghana has been acknowledged at the regional, national, and international levels.

Researchers Agyeman-Tobogo et al. (2016) discovered that although 46% of SEs work on a regional level, 39% work on a national level, and 14% work worldwide. Seventy-five percent of western SEs act on a regional level, whereas only roughly sixty percent of northern SEs do so. It has also been determined that one SE out of every twenty is a subsidiary of some other business. The biggest concentration of overseas entrepreneurs is found in the greater Accra area (22%), followed by the Ashanti region (17%).

### **3.3 IMPACT OF ENTERPRISE PERFORMANCE ON THE ECONOMY IN THE GHANAIAN CONTEXT**

Ghana's business environment is complex (White, 2011). Spread over rural and urban regions, this economic system encompasses both the informal and formal sectors, as well as both historic and contemporary businesses, both locally and those controlled by international investors. Small businesses (those that employ one person) are included in this spectrum as well as multinational conglomerates (employing hundreds). However, most businesses in Ghana are small or medium-sized enterprises (SMEs) (Ensign, 2023).

Rapid economic expansion, progressive social conditions, and stable political environments may all be attributed in large part to the efforts of small and medium-sized enterprises across the world

(OECD, 2016). White (2011) claims that SMEs account for over 90% of all businesses in sub-Saharan Africa and account for over 50% of all jobs and GDP. Abor and Quartey (2010) state that small and medium-sized enterprises (SMEs) make up the bulk of the business sector in both developed and developing countries. In Ghana, SMEs make up roughly 92% of all operational businesses, provide employment for roughly 85% of the population, and account for roughly 70% of the country's GDP. It's true that SME-based entrepreneurialism was crucial to SSA's economic development (Morris, Soleimanof & White, 2020).

Given the importance of entrepreneurship to the economic and social development of SSA, researchers and policymakers have taken notice (Ibrahim & Mas'ud, 2016). The capacity of small and medium-sized businesses (SMEs) to identify, assess, and seize opportunities is becoming more and more crucial in today's fast-paced business climate (Abdelgawad, Zahra, Svejnova & Sapienza, 2013). Small and medium-sized businesses (SMEs) have recently emerged as very vital and essential firms, making significant contributions to the economy of many nations.

Many developing countries look to entrepreneurs as the driving force behind their progress because of the significant role they play in creating jobs, reducing poverty, raising living standards, and increasing GDP (Davidson, Delmar & Wiklund, 2006; Abor & Quartey, 2010; Obschonka, Silbereisen, & Schmitt-Rodermund, 2011; Aceleanu, Trasca & Serban, 2014; Odoom, Narteh, & Boateng, 2017). Governments throughout the world have offered support for entrepreneurs via institutional frameworks and policy interventions because of the crucial role they play in driving economic growth and development (Andoh, Quaye, & Akomea-Frimpong, 2018; Maksimov, Wang, & Luo, 2017; Odoom et al., 2017). Many academics at present argue that small and medium-sized enterprises (SMEs) hold the key to ending poverty and fostering economic growth.

A rising number of people see this industry as a key driver of economic development and job growth. The government's growing realization that huge industrial initiatives are unlikely to provide sufficient job prospects has prompted this change. Kapoor, Mugwara, and Chidavaenzi (1997) argue that entrepreneurial activity has the potential to generate substantial levels of employment for skilled and semi-skilled labor because it is more flexible and responsive to changes in the market and requires relatively less capital than other forms of economic activity.



## CHAPTER FOUR

### RESEARCH METHODOLOGY

#### 4.0 INTRODUCTION

This chapter of the study concentrated on the research methodology chosen to aid in the achievement of the objectives outlined earlier in chapter one. The chapter specifically describes the research paradigm that underpins the study as well as the relevant issues such as the research design, population, sampling technique, sample selected, inclusion criterion, research instrument, ethical consideration, and method of data analysis.

#### 4.1 RESEARCH PARADIGM

The concept of "research paradigm" (also known as "worldview") refers to researchers' philosophical views toward the social world they study (Saunders et al., 2019). There are several paradigms, each with its own philosophical assumptions. According to Saunders et al. (2019), the most frequent paradigms in management research are positivism, interpretivism and pragmatism. These paradigms are addressed briefly below.

Positivism refers to the natural scientist's philosophical viewpoint and requires working with an observable social reality to develop law-like generalizations (Saunders et al., 2019). Positivists think that researchers must be objectively provided reality and must be independent of the world they are researching (Gray, 2014). This philosophical position contends that reality must be studied rigorously through scientific inquiry (Gray, 2014). As a result, positivist philosophers employ a representative sample of the population to test hypotheses and derive conclusions about phenomena (Easterby-Smith et al., 2012).

Interpretivism, also known as constructivism, holds that many realities exist as a result from various individual perspectives that are always changing (Harrison & Reilly, 2011). According to interpretivism, living beings and their social worlds cannot be studied in the same way as physical occurrences, and hence social sciences research should be separate from natural sciences study, rather than aiming to mimic the latter (Saunders et al., 2019).

By highlighting the research problem and its repercussions, pragmatism contrasts positivism and interpretivism (Feilzer, 2010). A pragmatic approaches research by beginning with a problem and aiming to contribute practical solutions that shape future practice (Saunders et al., 2019). Pragmatism is concerned with solving real-world problems rather than making assumptions about the nature of reality (Brennan et al., 2011).

Paradigms are the categorization of perspectives and opinions that determine how scholars choose their research methodologies for the research works (Morgan, 2007). When it comes to the most adapted paradigms by researchers in the humanities these are more paramount; positivism, interpretivism, realism, relativism, and critical realism (Boateng, 2014). This study will employ a positivism paradigm due to the quantitative nature of the research and the need to examine and confirm the hypothesis formulated. The researcher adopted positivism because of the nature of the study undertaken. The positivism will allow the researcher to adopt an experimental observation and measurement approach to enable the reader to understand what the study want to achieve. Since the study was quantitative, positivism strategy would help the researcher when it comes to the numeric data.

## **4.2 RESEARCH APPROACH**

The research method is defined by Creswell (2013) as the overall outline of the approach and methods followed to achieve the overall research objectives. It outlines the techniques adopted for the data collection and analysis of the data. Research method can be quantitative, qualitative, or mixed depending on the research's nature and objectives (Pandey & Pandey, 2015). According to Khaldi (2017), there are three research approaches namely, quantitative, qualitative research and mixed method approach. This research study embraces the quantitative approach due to the variables under study and the attempt to examine the relationship between them (Apuke, 2017).

Hair et al. (2003) suggested that numerical and structured methods for collecting data are more suited for quantitative research. Quantitative research design is typically for testing theories by examining the relationship among variables of research, using numbers to analyse data collected through structured data instruments (Creswell, 2013). This research design is chosen to evaluate the correlational relationships between the variables of the study.

## **4.3 RESEARCH STRATEGY**

The cross-sectional survey will be adopted in this study. The data for the study was collected from a selected sample from the research population (Boateng, 2014). Surveys are the most popular research strategies for researchers when it comes to quantitative methods and it is viewed as a reliable means of collecting data on opinions or characteristics, of many people at a given period.

## **4.4 RESEARCH POPULATION**

The population of the research study was the aggregate of all the elements sharing some common set of characteristics specified by the objectives of the research (Saunders et al., 2009; Ahmad, Wasim, Irfan, Gogoi, Srivastava, & Farheen, 2019). The study population considered

entrepreneurs that have been operating in Ghana for more than 5 years. This was to ensure that the entrepreneurs were familiar with the concepts of the study. Thus, the various entrepreneurial strategies; effectuation, causation, and bricolage, and also the entrepreneurs' typologies; opportunity and necessity. The population for this study considered entrepreneurs operating in Accra, because it is the capital city of Ghana and that all forms of enterprises (micro, medium and large) across all sectors, density of the respondent ratio in Accra and also the proximity of the researcher location to the targeted population. Therefore, the characteristics of firms within Accra is similar to those in other regions; making Accra a representative of all other businesses in Ghana. As such, samples are taken from the study population for data collection, analysis, and discussion.

#### **4.5 SAMPLE SIZE AND SAMPLING TECHNIQUES**

After identifying a study population, data were collected using a random probability sampling procedure (Boateng, 2020; Pandey & Pandey, 2014). Random sampling is a sampling approach in which each sample has an equal probability of being chosen (Pandey & Pandey, 2014). A random sample is expected to be representative of the total population and free of bias. This sampling method ensures that the researcher has no control over the decision and responses of individuals who will partake in this study. The study collected data from two hundred and fifty (250) respondents. This sample size was chosen due to the limited time and availability of the respondents. Moreso, scholarly works like Hair et al. (2014), were of the view that when conducting a quantitative research analysis, the smallest sample size could be 100 respondents. Likewise, Odoom, Anning-Dorson and Acheampong (2017) were of the view that 210 respondent is adequate to undertake a quantitative analysis. Hence, the sample size for this study is informed by the assertion made by the aforementioned scholarly researchers.

#### **4.6 DATA COLLECTION**

According to Boateng (2014), there are two main methods for gathering data: primary and secondary techniques. For data collection, both primary and secondary data will be considered. Structured questionnaires would be used to collect the primary data for the study. The secondary data collected was obtained from literature sources (electronic journals and articles, the university library, and the internet).

To solicit information from respondents in this study, questionnaires were utilized as the primary data collection instrument. The questionnaire of the study was divided into two broad parts: demographics and variables of the study. The demographic covered gender, salary, age, and education. The second sections cover the various variables of the study. The questionnaires were distributed to entrepreneurs in the Accra metropolis. The respondents were allowed to answer the questionnaire at their will. The collected data were coded and entered Microsoft Excel for data analyses.

#### **4.7 DATA ANALYSIS**

This section explains the data analysis method used to examine the information gathered throughout the research process. Data analysis aids in determining whether research variables are related. To begin, the information was checked for mistakes and blanks. The respondents' descriptive data were broken down into subgroups. The data retrieved from the respondent were coded and entered using STATA 15, resulting in a numerical presentation of respondents' and sample data's characteristics tabularly. Descriptive analysis, regression and correlational analysis are the main research analysis done in the research.

The study employed a descriptive and the standard multiple regression was used to analyze hypotheses because these sought to examine the effect of two independent variables on one dependent variable. According to Tabachnik and Fidell (2001), this study design is suitable for this research intends to investigate the impact of various parameters and once the sample size exceeds eighty (80) respondents.

Moderation analysis, according to Preacher, Rucker and Hayes (2007), assists the researcher in examining the mechanism wherein an independent variable is impacted by the dependent variable.

The study seeks to employ Structural Equation Modelling (SEM) in analysing the data. STATA 15.0 shall be used to analyse the data that would be gathered to test the strength of the relationship between the variables under study. According to Williams, Allison, & Moral-Benito (2018), SEM can be used by researchers to control measurement error, test moderation, and further provide information on the goodness of fit test of the model under study.

#### **4.8 ETHICAL CONSIDERATION**

In research, ethics includes the practice that distinguishes what might be good and what is bad in the task of carrying out this research from beginning to end (Resnik, 2011). Permission, minimizing misrepresentation, interrogation, anonymity, respondents' right to terminate from the investigation, and participant protection are all topics covered by research ethics. All these were followed although during studies. Particularly, Creswell (2009) argued that the anonymity of participants, positions, and occurrences in research work should indeed be secured. In light of this, the data collection process began with getting informed approval of the identified SME's for the study. Furthermore, one of several crucial ethics in research as evolved by Nuremberg code (1949), asserted that "all research participation must be voluntary". As a result, respondents were permitted

to participate in the study voluntarily. They were also made aware that their responses would be treated with the utmost confidentiality and privacy. Participants have also been informed that the study was conducted strictly confidential.



## CHAPTER FIVE

## DATA ANALYSIS AND PRESENTATION OF RESULTS

## 5.0 INTRODUCTION

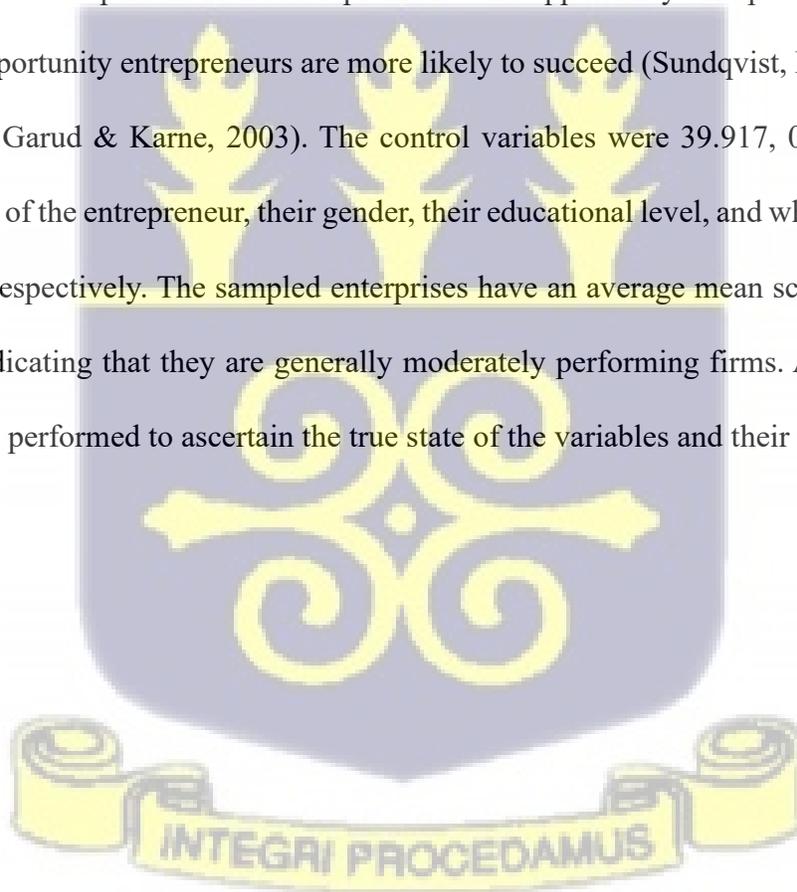
This chapter presents and discusses the findings of the study in accordance with the selected methodology of the study. The data was gathered from entrepreneurs within Ghana who have been operating for more than five years. The chapter specifically presents and discusses findings on the relationship between entrepreneurial strategy and enterprise performance; determines the relationship between entrepreneur typology and enterprise performance; and ascertains the moderating effect of entrepreneur typology on the relationship between entrepreneurial strategy and enterprise performance. Essentially, the findings here form the basis for the discussions.

## 5.1 DESCRIPTIVE STATISTICS

*Table 11: Descriptive Statistics of variables.*

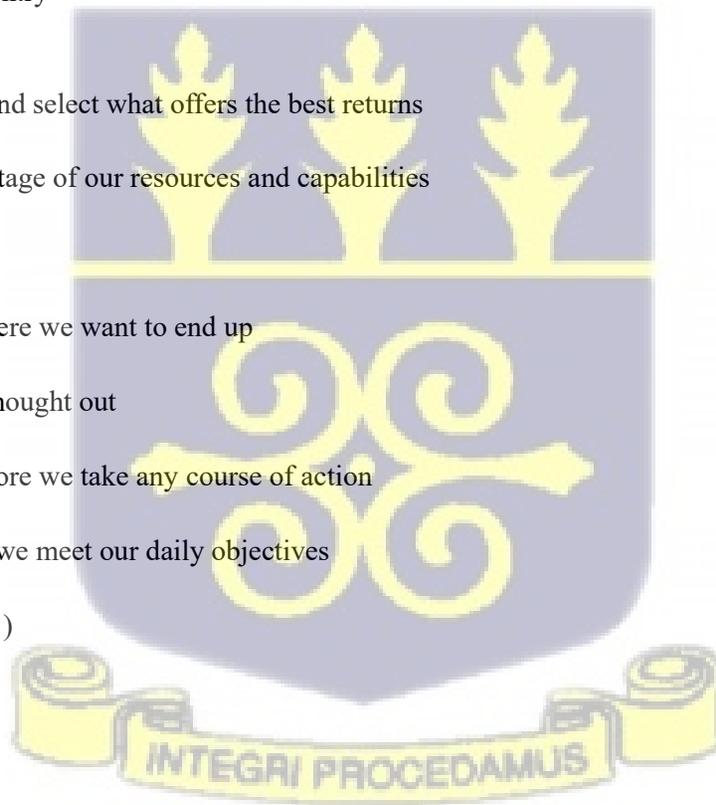
Variables	Obs	Mean	Std. Dev.	Min	Max	Skew.	Kurt.
age	218	39.917	9.135	21	68	.491	2.922
gender	218	.553	.498	0	1	-.214	1.046
education	218	.415	.494	0	1	.344	1.119
vocation	218	.213	.41	0	1	1.404	2.972
typology	218	.694	.462	0	1	-.844	1.713
bricolage	218	4.109	.564	1	5	-.422	2.42
effectuation	218	3.531	.834	1	5	-.619	3.221
causation	218	3.886	.799	1	5	-.999	3.966
performance	218	3.608	.76	1	5	-.386	3.04

Table I above shows a statistically significant result of the relevant variables used for the purpose. Descriptive statistics for this research highlight the main parameters that will be used in quantitative analysis as well as the dependent variable, entrepreneurial strategies, entrepreneur typology, and enterprise performance. The highest item mean for entrepreneurial strategies, according to the table, was 4.109 for bricolage, followed by 3.886 for causation and 3.531 for effectuation. This is backed by literature by Philip and Tracey (2007) that, entrepreneurs that employ bricolage are more likely to succeed over a long run. The entrepreneurs for this study have been operating for over five years. This gives the impression that the businesses sampled engage in some bricolage activities. The entrepreneur's typology mean scores were 0.694, indicating that 69 percent of the entrepreneurs were opportunity entrepreneurs. This also agrees with literature that opportunity entrepreneurs are more likely to succeed (Sundqvist, Kyläheiko, Kuivalainen, & Cadogan, 2012; Garud & Karne, 2003). The control variables were 39.917, 0.553, 0.415, 0.213, which represent the age of the entrepreneur, their gender, their educational level, and whether they have vocational training or not, respectively. The sampled enterprises have an average mean score of 3.608 for enterprise performance, indicating that they are generally moderately performing firms. As a result, an exploratory factor analysis is performed to ascertain the true state of the variables and their relevance to the study.



Items	Factors			
	1	2	3	4
<b>Bricolage (Baker &amp; Nelson, 2005)</b>				
We are confident in our ability develop workable solutions to new challenges by using our existing resources		0.636		
We typically take on a broader range of challenges than others with our resources would do		0.549		
We use any existing resource that seems useful to responding to a new problem or opportunity		0.707		
We deal with new challenges by applying a combination of our existing resources and other resources inexpensively available to us		0.662		
When dealing with new problems or opportunities we immediately act by assuming that we will find a workable solution		0.720		
By combining our existing resources, we take on a very broad variety of new challenges		0.779		
When we face new challenges, we put together workable solutions from my existing resources		0.773		
We combine resources to accomplish new challenges that the resources were not originally intended to accomplish		0.722		
To deal with new challenges, we access resources at low or no cost and combine them with what I already have.		0.753		
<b>Effectuation ( Sarasvathy et al. (2001)</b>				
We prefer pre-commitments before we do anything			omitted	
We prefer agreements with other stakeholders before we engage in any action			omitted	
Our personal contacts are source low-cost resources			omitted	
Working closely with other people greatly expands our capabilities			omitted	
We focus on building alliances with other people/organizations			omitted	
We have the capacity to work in a partnership			omitted	
We will experiment with different ways of doing things			omitted	
We are not worried when our plans at the beginning are essentially different from what prevailed at the end			0.828	
We are not worried when our plans at the beginning are substantially different from what prevailed at the end			0.821	
We like to try out things till we find what works			0.858	
We are always careful not to commit more resources than we can afford to lose			omitted	
We are careful not to risk more money than we are willing to lose with my ideas			omitted	
We are careful not to risk so much money that our families would be in real trouble financially if things didn't work out.			omitted	
We usually allow things to evolve as opportunities emerged			0.830	
Our actions are usually based on the resources available to us			0.579	

We are flexible and take advantage of opportunities as they arise		omitted
We avoid courses of action that restricts our flexibility and adaptability		0.587
We have significant entrepreneurial experience		omitted
We have extensive prior experience in our current business		omitted
Human capital with significant knowledge in sector		0.511
We have a high need for achievement		0.622
We have a tolerance for ambiguity		omitted
We are self-efficacious		omitted
Owners come from entrepreneurial families		omitted
We have friends in business		omitted
We are involved in business networks		omitted
We have significant social capital in our country		omitted
Our founding team is large		omitted
Causation (Sarasvathy et al. (2001)		
We usually analyse long run opportunities and select what offers the best returns	0.747	
	3	
We usually develop a strategy to take advantage of our resources and capabilities	0.798	
	0	
Our daily lives are organized and planned	0.763	
	7	
We have a clear and consistent vision of where we want to end up	0.851	
	6	
All my efforts in life are well planned and thought out	0.672	
	6	
We usually conduct research into things before we take any course of action	0.840	
	7	
We usually put in place measures to ensure we meet our daily objectives	0.726	
	3	
Enterprise Performance (Aggrey et al., 2021)		
Profitability		0.790
Sales growth		0.804
Market share		omitted
Return on investment		0.788
Overall business performance		0.828



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Note: Total Variance Explained: 0.9939; Loadings <0.50 are omitted (Dropped); KMO: 0.868

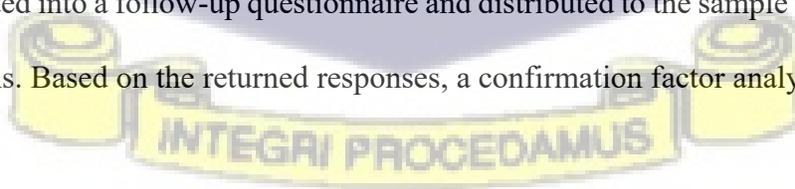


## 5.2 EXPLORATORY FACTOR ANALYSIS (EFA)

The four-variable constructs, which consisted of forty-nine (49) items from the study conceptual framework, were subjected to an initial exploratory factor analysis using a principal component analysis (PCA) in STATA 15 subjected to an initial 100 businesses. Prior to the analysis, sample adequacy techniques were put into action. A Kaiser-Meyer-Olkin (KMO) value of 0.8684 was extracted, indicating that the items were suitable for proceeding factor analysis. Table II shows the results of the subsequent factor analysis procedure, which yielded three distinct components. All three components explain 99 percent of the variance in the overall sample.

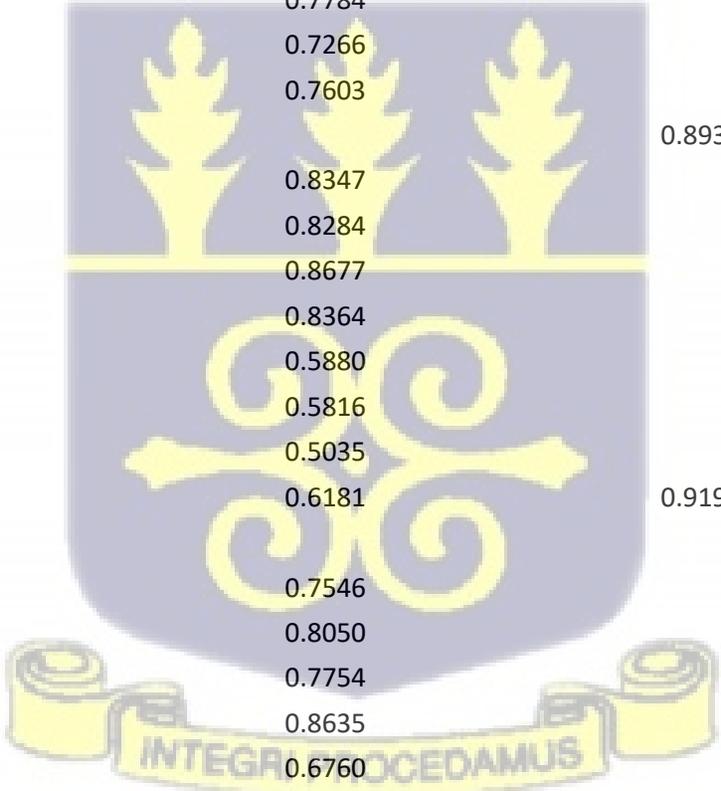
A promax rotation was performed on all 49 items and their respective components to assess the strength of each item in their determination of their loaded construct. A promax rotation was chosen because the items measure enterprise means utilization cases and the researcher anticipated some items mirroring each other (Hendrickson & White, 1964). 28 of the conceptualized 49 rotated items loaded strongly into their respective variables and were thus retained. The consistent factor loadings threshold is 0.5. (Hair et al., 2014). Only items with factor loading scores greater than the threshold score are considered and used for further analysis, while items with low factor loading scores are omitted or dropped (Table II).

Following the exploratory factor analysis to ensure internal consistency among items, the retained items must be checked to ensure their independence from the dropped items. To accomplish this, the retained items are formatted into a follow-up questionnaire and distributed to the sample to confirm their answers to those questions. Based on the returned responses, a confirmation factor analysis is performed.



**Table 3: Confirmatory Factor Analysis, Reliability and Validity Analysis**

Items	Loadings	CR	AVE	$\alpha$
Bricolage		0.900	0.503	0.884
	0.6429			
	0.5530			
	0.7707			
	0.6681			
	0.7270			
	0.7866			
	0.7784			
	0.7266			
	0.7603			
Effectuation		0.893	0.519	0.877
	0.8347			
	0.8284			
	0.8677			
	0.8364			
	0.5880			
	0.5816			
	0.5035			
	0.6181			
Causation		0.919	0.604	0.914
	0.7546			
	0.8050			
	0.7754			
	0.8635			
	0.6760			



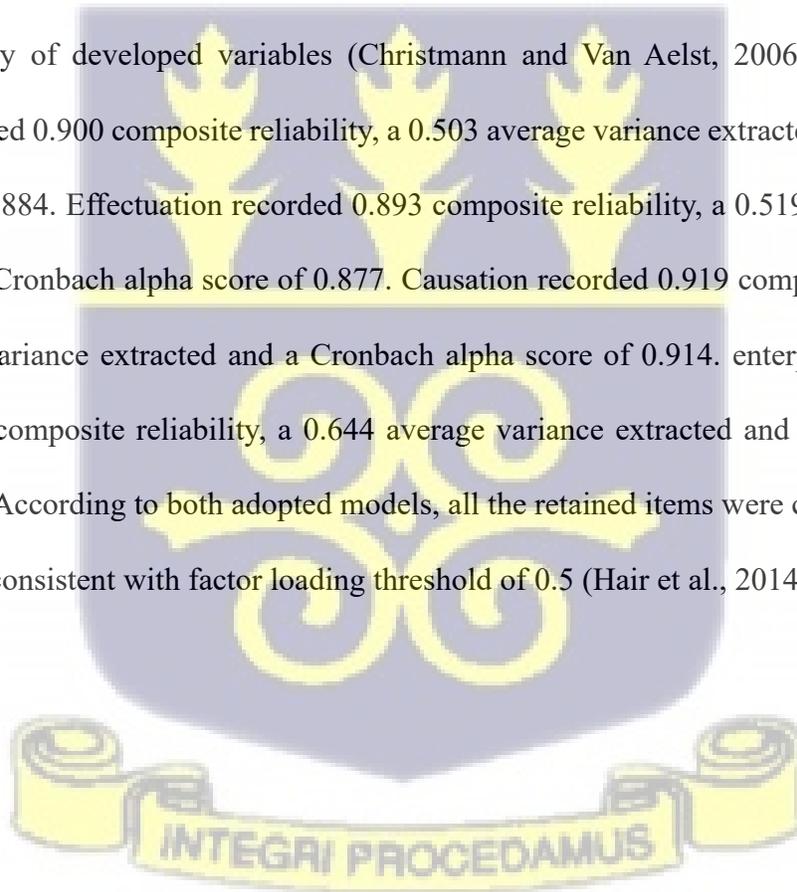
	0.8552			
	0.7343			
Enterprise Performance		0.844	0.644	0.893
	0.7962			
	0.8158			
	0.7953			

Note: KMO=0.95



### 5.3 CONFIRMATORY FACTOR ANALYSIS (CFA)

The confirmation and constructs' internal consistency were assessed through a confirmatory factor analysis. A second and final round of data was collected based on the retained factors from the EFA. This study adopted a dual approach to confirming the conceptualized constructs of the study. The PCA method was initially used to ascertain average variance extracted, composite reliability and Cronbach's alpha scores to ensure convergence and divergence within across items respectively. The results show that most of the factors used in the study have adequate loading scores of 0.5 or higher, satisfying the rule of thumb for factor confirmation in a CFA (Bell et al., 2018; Schmitt, 2011). The table also includes  $\lambda$ -values ranging from 0.504 to 0.877, demonstrating the dependability of developed variables (Christmann and Van Aelst, 2006). From the data, bricolage recorded 0.900 composite reliability, a 0.503 average variance extracted and a Cronbach alpha score of 0.884. Effectuation recorded 0.893 composite reliability, a 0.519 average variance extracted and a Cronbach alpha score of 0.877. Causation recorded 0.919 composite reliability, a 0.604 average variance extracted and a Cronbach alpha score of 0.914. enterprise performance recorded 0.844 composite reliability, a 0.644 average variance extracted and a Cronbach alpha score of 0.893. According to both adopted models, all the retained items were consistent with the data, thus were consistent with factor loading threshold of 0.5 (Hair et al., 2014)



**Table 4: Analysis (OLS Model)**

VARIABLES	(1) Model 1	(2) Model 2	(3) Model 3	(4) Model 4	(5) Model 5	(6) Model 6	(7) Model 7
age	0.00544 (0.00627)	0.00712 (0.00630)	0.00580 (0.00656)	0.0185 (0.00549)	0.0316 (0.00741)	0.00600 (0.00613)	0.00873 (0.00568)
gender	0.0973 (0.113)	0.0352 (0.111)	0.0426 (0.114)	0.0288 (0.114)	0.125 (0.130)	0.0682 (0.110)	0.0199 (0.110)
education	0.0711 (0.118)	0.0117 (0.116)	0.00555 (0.119)	0.0985 (0.117)	0.153 (0.141)	0.0288 (0.123)	-0.0133 (0.119)
vocation	-0.0410 (0.138)	-0.146 (0.145)	-0.145 (0.150)	0.0298 (0.148)	-0.0435 (0.169)	-0.156 (0.153)	-0.154 (0.156)
typology			-0.139 (0.121)	1.415*** (0.439)	1.321** (0.554)	-0.182 (0.769)	0.971* (0.545)
causation		0.289*** (0.0696)	0.300*** (0.0711)	0.718*** (0.0666)			0.329*** (0.110)
effectuation		0.117* (0.0641)	0.121* (0.0665)		0.655*** (0.101)		0.180** (0.124)
bricolage		0.132 (0.103)	0.116 (0.106)			0.201 (0.163)	0.024* (0.116)
c.causation#c.typology				0.368*** (0.116)			0.00128 (0.150)
c.effectuation#c.typology					-0.418*** (0.156)		0.112 (0.163)
c.bricolage#c.typology						0.0220 (0.190)	-0.349** (0.155)
Constant	1.333*** (0.268)	0.256** (0.540)	0.414** (0.560)	0.256** (0.540)	0.314** (0.560)	0.600*** (0.688)	0.256** (0.540)
Observations	198	198	198	198	198	198	198
R-squared	0.413	0.850	0.860	0.958	0.946	0.939	0.962

Standard errors in parentheses \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

#### 5.4 HYPOTHESIZED RELATIONSHIP

This section presents the regression results and their inferences from the findings of the relationships between the variables of interest in this study. The general question that the research sought to answer is the extent to which an entrepreneur's typology influences the relationship between their entrepreneurial strategies and enterprise performance. As such, the study tests seven hierarchical models to comparatively explore these relationships between control variables (Age, Gender, Education, Vocation, and Typology), predictor variables (Causation, Effectuation, and Bricolage), and the dependent variable (Enterprise performance). The study relies on an ordinary least square (OLS) enquiry model to perform the regression analysis. By instituting robust coefficients, the analysis results indicate fitness and representative findings. The ensuing paragraphs shed more information about the hypothesized relationships and their subsequent findings.

As shown in Table 4, the initial results from Model 1 reveal that the control variables; age of respondent, gender, education, and vocation show no significance on the models estimated. From the table, the typology of the entrepreneur shows a positive significant relationship with enterprise performance ( $\beta= 0.971, p<0.1$ ). In examining the relationships between the predictor variables and enterprise performance, the study finds that entrepreneurial causation behavior has a significant and positive effect on enterprise performance in the overall model ( $\beta=0.329, p<0.05$ ), and stays consistent throughout the estimated models. Also, effectuation showed a positive and significant effect on enterprise performance ( $\beta=0.080, p<0.05$ ), though it had a lower magnitude as compared to the causation-performance nexus. Bricolage also shows a significant positive relationship with performance ( $\beta=0.024, p<0.1$ ). Thus, the relationship between bricolage and enterprise though significant shows the lowest direction magnitude of the three predictor variables investigated. In assessing the moderation relationships, we see that

typology, i.e., opportunity entrepreneurs are better off practicing the causation strategy of entrepreneurship (see Model 4). This is because the moderation relationship between causation, typology (coded as opportunity =1), and enterprise performance yields a positive and significant estimation ( $\beta=0.368$ ,  $p<0.01$ ). The reverse is true for the effectual and bricolage strategies where necessity entrepreneurs may thrive using such strategies in their enterprises because those are built on uncertainty and resource constraints respectively. From Model 5, the moderation relationship between effectuation, typology (coded as opportunity =1), and enterprise performance yields a negative and significant estimation ( $\beta=-0.418$ ,  $p<0.01$ ) and that of bricolage, typology (coded as opportunity =1), and enterprise performance also yields a negative and significant estimation ( $\beta=-0.349$ ,  $p<0.01$ ). These findings are quite revealing as it sets the grounds for discussions for enterprise success beyond environmental situations but also entrepreneurial motives as antecedents for strategic directions of small enterprises.

#### **5.4.1 Discussion of Findings**

This section discusses the findings of the study from the lens of the three objectives posited at the beginning of this research study.

##### ***Relationship between entrepreneurial strategy and enterprise performance.***

The first objective of the study was to determine the relationship between entrepreneurial strategy and enterprise performance. This objective was influenced by the contrasting views on the effect of various entrepreneurial strategies on enterprise competitive performance. In this regard, three enterprise strategies were investigated: effectuation, causation, and bricolage. To achieve this objective, the first hypothesis (H1) was formulated based on the literature reviewed. H1 indicated that there is a positive relationship between effectuation and enterprise performance. The results of the study indicated that effectuation has a significant and positive

effect on enterprise competitive performance. The result obtain is in line with the findings of Vanevenhoven et al. (2011) who asserted that effectuation can help SMEs to improve their performance. Even though the study focused on different types of entrepreneurs, the general effects of effectuation on enterprise performance remained unchanged. Causation was also hypothesized to have a positive relationship with enterprise performance. The study confirmed this hypothesis and has previously been shown by extant literature. Causation which reflects focus on actions driven by specific enterprise objectives enables firms to effectively utilize resources in developing market environments (Yu et al., 2018) Bricolage is the third strategy investigated by this study and was hypothesized to also have a positive relationship with performance. The study found that bricolage has a significant positive relationship with performance. The findings complement the works of Tindiwensi et al. (2020) who identified that entrepreneurial bricolage empowers smallholder commercialization through resource reallocation, improvisation, interconnectedness, and self-reinforcing bricolage. The findings also provide some interesting revelations. It is evident that the strategies investigated influences performance at different magnitudes. From the demographics, only 46% of the study sample are opportunity entrepreneurs (see Table 1). This finding makes the difference in magnitude mentioned earlier very interesting. The further findings in the moderation relationships explain these findings further.

### ***The impact of entrepreneurship typology on enterprise performance***

The second objective of this study sought to determine the impact of the entrepreneur's typology on enterprise performance. The findings of the study suggest that the entrepreneur's typology does influence the enterprise's performance. One of the keyways that opportunity entrepreneurship for instance affects a firm's performance is through innovation.

(Zahra & George, 2017). Entrepreneurs who are driven by opportunity are constantly on the lookout for new and better ways to do things. Necessity entrepreneurs are often highly motivated and driven to succeed. Necessity entrepreneurs on the other hand also have a strong desire to create a successful business and are willing to work hard to make it happen. This can lead to a high level of commitment and dedication, which can be beneficial for the firm's performance (Tyszka, Cieřlik, Domurat, & Macko, 2011). Necessity entrepreneurs are also often more willing to take risks, which can be beneficial for the firm's growth and expansion. Hence confirming the hypothesis that the typology of the entrepreneur does influence performance.

***The moderating effect of entrepreneur typology on the relationship between entrepreneurial strategy and enterprise performance.***

The last and main objective of the study was to examine the moderation effect of entrepreneur typology on the relationship between entrepreneurial strategy and enterprise performance. As a result, three hypotheses were formulated to test the moderation effects.

The findings of the study revealed that indeed the typology of the entrepreneur influences the bounding conditions present for the successful execution of entrepreneurial strategies. The first marker was ascertained from coefficient magnitudes from the regression analysis. The magnitudes obtained allow for ample divergence in the constructs, thus, impliedly indicating a moderation analysis can be undertaken. The results achieved fulfill Baker and Nelson's (2005) call for researchers to test moderation relationships.

Consequently, the findings indicate that the moderation relationship between causation, typology and enterprise performance yields a positive and significant estimation. The moderation relationship between effectuation, typology and enterprise performance yields a negative and significant estimation and that of bricolage, typology, and enterprise performance

also yields a negative and significant estimation. These findings are quite revealing as it sets the grounds for discussions for enterprise success beyond environmental situations but also entrepreneurial motives as antecedents for strategic directions of small enterprises.

In explaining the opportunity entrepreneurship and causation nexus, the focus on actions driven by specific objectives in causation enables companies to effectively utilize limited resources, which are crucial for businesses operating in developing market environments (Yu et al., 2018). As demonstrated by Smolka et al. (2018), business planning can increase the credibility of a business, thereby improving a firm's ability to secure necessary resources. A planning-based behavioral approach is most successful in situations where future outcomes can be predicted with a certain degree of accuracy, such as in environments where there is a level of risk present.

The relationship between opportunity entrepreneurship and causation is one of moderation, where the ability to identify and seize opportunities is moderated by the understanding and application of causation (Brettel, et al. 2014). In other words, without a deep understanding of causation, an opportunity entrepreneur may be prone to making hasty decisions based on intuition rather than data and may be unable to fully capitalize on their opportunities. On the other hand, without a strong sense of opportunity entrepreneurship, a causation-focused entrepreneur may be too cautious and miss out on valuable opportunities (Brettel, et al. 2014).

On the other hand, effectuation is a theory of entrepreneurship that emphasizes the importance of building a business based on the resources and capabilities that are already available to the entrepreneur. The focus is on leveraging these resources and capabilities to create new opportunities and achieve performance. Relying on the principles of available means, affordable loss, partnerships, leveraging contingencies and co-creation (Read, Sarasvathy, Dew, Wiltbank, & Ohlsson, 2011), effectuating firms generate significant diversity in new products and services (Rondani, Andreassi, & Bernardes, 2013) by studying their surroundings and

choosing the most effective business strategies before putting them into action. The theory of effectuation is based on the idea that entrepreneurs are more likely to be successful if they focus on what they can do, rather than what they cannot do.

When it comes to the relationship between necessity entrepreneurship and practicing effectuation or bricolage, there is a delicate balance that must be maintained. On the one hand, necessity entrepreneurs are driven by the need to fulfill a specific need in the market (Dencker, et al. 2021). This can provide them with a clear direction and a sense of purpose. However, if they become too focused on this need, they may overlook other opportunities that could potentially improve their performance. On the other hand, practicing effectuation allows entrepreneurs to be more flexible and adaptable to changing market conditions. This can help them to identify new opportunities and capitalize on them (Laskovaia et al., 2019). However, if they become too focused on the resources and capabilities they already have, they may overlook other opportunities that could potentially improve their performance.

### **Chapter summary**

The chapter discussed the findings obtained from analyzing the data collected. This chapter presented the descriptive statistics of enterprise demographics as well as the descriptive statistics of the constructs under study. The chapter also presents the EFA results and the subsequent CFA results as well. Additionally, the chapter also indicated the analysis result obtained from OLS regression. Finally, the chapter discusses the results of the findings.

Overall, the results show support for all six (6) hypotheses. Entrepreneurial causation behaviour had a significant and positive effect on enterprise performance, also, effectuation showed a positive and significant effect on enterprise performance, the relationship between bricolage and enterprise though significant shows the lowest direction magnitude of the three predictor

variables investigated. Moreover, the moderation relationship between causation, Typology and enterprise performance yields a positive and significant estimation, the moderation relationship between effectuation, typology, and enterprise performance yields a negative and significant estimation, and finally, that of bricolage, typology and enterprise performance also yields a negative and significant estimation.



**CHAPTER SIX**  
**SUMMARY, CONCLUSION AND RECOMMENDATION**

**6.0 INTRODUCTION**

In this chapter, the author gives a summary of the most important research results, the conclusion, the study's flaws, research recommendations, and directions for future research.

**6.1 SUMMARY OF KEY FINDING**

This study sort to investigate the relationship that seems to exist between entrepreneurial strategies and enterprise performance and the mediating role the type of entrepreneur plays in the relationship considering the effect of the Maslow theory of need on the selection of the entrepreneurial strategies. Prior to the data analysis of the study, the researcher through extent review of literature formulated some hypothesis to assess if the assertion is the same or there have been some changes. The study hypothesised that;

H1: There is a positive relationship between effectuation and enterprise performances.

H2: There is a positive relationship between causation and enterprise performance.

H3: There is a positive relationship between bricolage and enterprise performances.

H4: Entrepreneurship typology moderates the relationship between effectuation and enterprise performance.

H5: Entrepreneurship typology moderates the relationship between causation and enterprise performance.

H6: Entrepreneurship typology moderates the relationship between bricolage and enterprise performance.

The research was aimed at addressing the broad question of how much an entrepreneur's typology determines the relationship between their entrepreneurial methods and firm performance. As a result, the study compares the associations between control factors (Age, Gender, Education, Vocation, and Typology), predictor variables (Causation, Effectuation, and

Bricolage), and the dependent variable (Enterprise performance) using seven hierarchical models. The regression analysis is carried out using an ordinary least squares (OLS) investigation model. The analytical results suggest fitness and representative findings by using robust coefficients. The next paragraphs provide additional details on the hypothesized links and their subsequent discoveries.

As shown in Table 4, the preliminary results from Model 1 suggest that the control variables of respondent age, gender, education, and occupation had no effect on the models evaluated. According to the table, the entrepreneur's typology has a positive significant link with firm performance ( $= 0.971, p0.1$ ). The study discovers that entrepreneurial causation behavior has a significant and positive effect on enterprise performance in the overall model ( $=0.329, p0.05$ ) and remains consistent across the estimated models. Furthermore, effectuation had a positive and substantial effect on enterprise performance ( $=0.080, p0.05$ ), albeit with a lesser magnitude than the causation-performance nexus. Bricolage has also been found to have a significant positive link with performance ( $=0.024, p0.1$ ).

Consequently, while significant, the link between bricolage and enterprise has the smallest direction magnitude of the three predictor variables tested. When we examine the moderation relationships, we observe that type, i.e., opportunity entrepreneurs, are better off using the entrepreneurship causality strategy (see Model 4). This is due to the fact that the moderation relationship between causation, typology (coded as opportunity =1), and enterprise performance produces a positive and significant estimation ( $=0.368, p0.01$ ). The opposite is true for effective and bricolage methods, where necessity entrepreneurs may succeed by employing such strategies in their businesses because they are based on uncertainty and resource limits, respectively.

According to Model 5, the moderation relationship between effectuation, typology (coded as opportunity =1), and enterprise performance yields a negative and significant estimation ( $=-$

0.418,  $p < 0.01$ ), as does the relationship between bricolage, typology (coded as opportunity =1), and enterprise performance ( $= -0.349$ ,  $p < 0.01$ ). These findings are highly enlightening because they lay the groundwork for conversations about enterprise success that go beyond environmental factors and include entrepreneurial motivations as antecedents for small business strategic directions.

## 6.2 IMPLICATIONS OF THE RESEARCH AND CONCLUSION

This study explores the relationship that exists between entrepreneurial strategies and enterprise performance and the moderating role entrepreneur typology has on the above relationship. It was evident from the analysis that, entrepreneurial bricolage impacts positive enterprise performance than the other entrepreneurial strategies while opportunity entrepreneurs are more likely to impact performance of an enterprise positively. The existing moderation relationship between bricolage, opportunity entrepreneurs and enterprise performance are substantial. This study makes significant contribution to literature in opportunity entrepreneurship, entrepreneurial bricolage and enterprise performance in an emerging economy like Ghana.

This study contributes immensely to the literature on entrepreneurial strategies and antecedents. The study further adds up to the literature on entrepreneurship typologies and their influence on subsequent enterprise decisions that affect performance. Also, this research study has some implications for practice and policy.

From the findings of this study, it was established that typology of the entrepreneur moderates the relationship between enterprise strategy and performance, thus, an addition to the scholarly works in the domain of enterprise decision making. Very few studies have focused on examining the relationship between strategies and firm performance, and these studies either

focused on the direct relationship between the variables or moderated it with a variable other than motive-based ones (Baker & Nelson, 2005; Senyard et al., 2010; Wyne & Hafeez, 2019).

This study presents new knowledge on the typology moderation relationship between strategies and enterprise performance from a developing country context. Additionally, by focusing on the opportunity and necessity entrepreneurship, the study adds up to the literature seeking to differentiate the types of entrepreneurships (Vanevenhoven et al., 2011) and its impact on enterprise performance.

Secondly, the findings of the study provide some practical implications for small enterprises. The findings of the study suggest that SMEs who have owners that are opportunity entrepreneurs can engage in causation to alter their performance even when they are constrained in resources. Additionally, the study also makes some interesting revelations on the need to be experimental to succeed as a necessity entrepreneur. The findings of the study further suggest that managers of SMEs can benefit from the usage of planned internal resources to expand markets if they are opportunity seeking. The study also provides the managers of SMEs with empirical evidence concerning the effect of strategies on enterprise performance especially in a developing economy context. Similarly, the findings of the study go a long way to augment the call for SMEs to identify the right strategies to adopt to thrive their businesses.

### **6.3 RECOMMENDATION AND FUTURE RESEARCH DIRECTIONS**

The researcher makes the following recommendations based on the study's findings, discussions, and conclusion. The current study concentrated solely on three entrepreneurial strategies: bricolage, effectuation and causation, and enterprise performance. The study went on to find the moderating role of entrepreneur typology in the relationship that exists between entrepreneurial strategies and enterprise performance. Future research could study the three strategies in isolation to find out which is more likely to impact an enterprise's performance.

Furthermore, future researchers can conduct similar research but increase the population for diversity since this research concentrated solely on Ghanaian enterprises. Future researchers can consider West Africa, sub-Saharan Africa, or the African continent. However, future researchers can conduct a study on the impact an entrepreneur's typology has on the selection of an entrepreneurial strategy, considering Maslow's theory of needs. This will help shed light on how a person's level in the pyramid impacts entrepreneurial strategy selections. Moreover, this study employed a quantitative research method, using Stata 15 to run the analysis. Researchers in the future can use a qualitative research method and think about an in-depth interview with the people they want to interview.

#### **6.4 THE RESEARCH'S LIMITATIONS**

Data for the study was gathered from respondents using a structured questionnaire and a snowballing technique. Prior to the collection of the answered questionnaire, the researcher had distributed 250 questionnaires. Only 230 answered questionnaires were recovered, with 218 fully filled, and 12 questionnaires were not fully answered, making it impossible for them to be used in the analysis. This unforeseen development caused the sample size to be reduced from 250 respondents to 218 respondents.

Secondly, as a limitation, the use of only quantitative methods to measure the variables under study. Some of the contrasts in the study, like the theory and the entrepreneur typology, could have caused great interaction during the in-depth interviews. As a result, conducting the study using a mixed method approach would have been preferable. Furthermore, the study had a geographical limitation. The sample was limited to enterprises within Ghana with at least five years of operations. As a result, the results may not apply to enterprises with less than 5 years of operation in Ghana.

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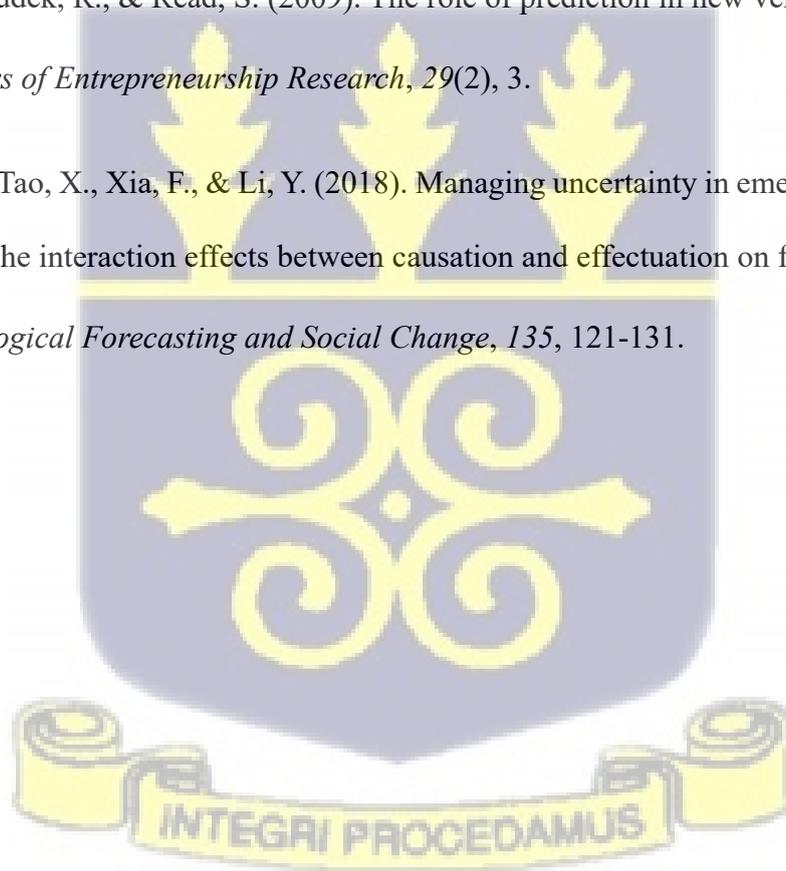
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**APPENDIX**

**RESEARCH INSTRUMENT**

**Introduction**

Dear Sir/Madam,

Good day. I crave your indulgence to help complete this research instrument. This part of a broader study as a partial fulfilment of a Master of Philosophy in marketing at the University of Ghana Business School to help understand ENTREPRENEURIAL STRATEGIES, ENTREPRENEUR’S TYPOLOGY AND ENTERPRISE PREFORMANCE IN GHANA. The study is purely voluntary and there are no sanctions for opting out before, during and after the completion of the research instrument. It is also anonymous.

Thank you.

**SECTION 1: Entrepreneur-Level Questions**

1. What is your current age (in years)?  
\_\_\_\_\_
2. What is your gender? Male  Female
3. What is your highest educational attainment?  
None  Primary  Secondary  Tertiary
4. Have you had any vocational training? Yes  No
5. What was your motive for starting this venture? Necessity  Opportunity

**SECTION 2: Theories of Entrepreneurship**

To what extent do you agree with the following statements? Indicate on a continuum from 1 to 5 where 1 reflects strongly disagree and 5 for strongly agree.

No.	Statement	1	2	3	4	5
1.1	Bricolage					
	We are confident in our ability develop workable solutions to new challenges by using our existing resources					

	We typically take on a broader range of challenges than others with our resources would do						
	We use any existing resource that seems useful to responding to a new problem or opportunity						

	We deal with new challenges by applying a combination of our existing resources and other resources inexpensively available to us						
	When dealing with new problems or opportunities we immediately act by assuming that we will find a workable solution						
	By combining our existing resources, we take on a very broad variety of new challenges						
	When we face new challenges, we put together workable solutions from my existing resources						
	We combine resources to accomplish new challenges that the resources were not originally intended to accomplish						
	To deal with new challenges, we access resources at low or no cost and combine them with what I already have.						
1.2.1	Effectuation>Pre-commitments and Alliances						
	We prefer pre-commitments before we do anything						
	We prefer agreements with other stakeholders before we engage in any action						
	Our personal contacts are source low cost resources						

	Working closely with other people greatly expands our capabilities						
	We focus on building alliances with other people/organizations						
	We have the capacity to work in a partnership						
1.2.2	Effectuation>Experimentation						
	We will experiment with different ways of doing things						
	We are not worried when our plans at the beginning are essentially different from what prevailed at the end						
	We are not worried when our plans at the beginning are substantially different from what prevailed at the end						
	We like to try out things till we find what works						
1.2.3	Effectuation>Affordable Loss						
	We are always careful not to commit more resources than we can afford to lose						
	We are careful not to risk more money than we are willing to lose with my ideas						
	We are careful not to risk so much money that our families would be in real trouble financially if things didn't work out.						
1.2.4	Effectuation>Flexibility>Contingency						
	We usually allow things to evolve as opportunities emerged						
	Our actions are usually based on the resources available to us						

	We are flexible and take advantage of opportunities as they arise						
	We avoid courses of action that restricts our flexibility and adaptability						
1.2.5	Effectuation>Means						
	<i>What We Know</i>						
	We have significant entrepreneurial experience						
	We have extensive prior experience in our current business						
	Human capital with significant knowledge in sector						
	<i>Who We Are</i>						
	We have a high need for achievement						
	We have a tolerance for ambiguity						
	We are self-efficacious						
	<i>Who We Know</i>						
	Owners come from entrepreneurial families						
	We have friends in business						
	We are involved in business networks						
	We have significant social capital in our country						
	Our founding team is large						
1.3	Causation						
	We usually analyse long run opportunities and select what offers the best returns						
	We usually develop a strategy to take advantage of our resources and capabilities						
	Our daily lives are organized and planned						

	We usually put in place measures to ensure we meet our daily objectives					
	We usually conduct research into things before we take any course of action					
	We have a clear and consistent vision of where we want to end up					
	All my efforts in life are well planned and thought out					

**Section 3: Section Entrepreneurial Performance**

To what extent do you agree with the following statements? Indicate on a continuum from 1 to 5 where 1 reflects not at all and 5 very much.

No.	Statement	1	2	3	4	5
2.1	Enterprise Performance					
	To what extent did your business perform better than its competitors					
	Profitability					
	Sales growth					
	Market share					
	Return on investment					
	Overall business performance					

