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## UNDERSTANDING ENTREPRENEURIAL ORIENTATION AND BUSINESS PERFORMANCE THE ROLE OF CULTURE A REVIEW

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### ABSTRACT

*Entrepreneurial Orientation (EO) is a universally accepted concept that is applied by the small and medium sized organizations. The studies have shown a significant relationship between EO and business performance. One element that connects EO and business performance is 'Culture'. Organizational culture and the culture as a whole have significant place in the modern entrepreneurial firms. Culture refers to national culture, organizational culture, societal culture and also corporate culture. This study contributes to examine the literature to understand the role of culture in Entrepreneurial Orientation (EO) and business performance.*

*Study will discuss the direct and indirect effect of various cultures that have the potential to influence business activities, decision making and productivity. The various dimensions of EO are considered as important source of firm's survival in the competitive market. The success of such firms depends on the culture of the business performance. This shows that EO, business performance and culture, are inter-related as well as inter-dependent. The findings of the study*

*will help to enhance the understanding of this inter-dependence and role of culture in EO and business performance.*

**Key words:** Entrepreneurial Orientation, Business performance, performance, national culture, corporate culture, firm's performance, organizational culture.

## **Introduction**

Entrepreneurial orientation (EO) can be considered as an important phenomenon and as an important concept for making new strategies. Entrepreneurial orientation (EO) can also be understood as a crucial factor for the success of business even with many complexities in today's business environment. Many empirical studies have positively associated EO with business performance (Semrau, Ambos, & Kraus, 2016). The modern firms require new opportunities and new ways to for making their business successful. EO includes different dimensions of the behaviour that are fostered by the successful entrepreneurs of the world. EO states about the behaviour that entrepreneurs have to reflect, such as innovation risk taking and being proactive (Arshad et al, 2014). The modern firms have to get involved in the continuous process of innovation; they are required to innovate new products, new process and services. The forms are required to be more proactive in comparison to their competitors. This also reflects the risk oriented behaviour of the entrepreneurs that impacts the performance of business (Vij & Bedi, 2012).

Business performance can be understood as the set of performance management and an analytic process that helps in enabling the management of the firms to perform according to set standards for achieving success goals (Bulut & Can, 2013). Business performance can also be defined as *“the degree of fulfilment of managerial goals in business practices and realized outputs of these goals by the end of a certain period”* (Bulut & Can, 2013, p. 273). Organizational culture can have significant influence on the firm performance. Achieving the goal as the output of a certain process is determined by the organizational culture, and its influence on implementation of market orientation within the firm (Jogaratham, 2017). Globally, the business environment has become highly competitive, dynamic and unpredictable. Thus, marketing orientation is important element for small and medium sized businesses. The business environment has become more complex due to globalization, technological development and trade liberalization. The global

market place has increased the competition for the firms and they have to adopt many new strategies to survive in the market place.

The rapidly increasing scope of the competition in the global market place, has resulted in creating a lot of challenges for the managers and business organizations. The organizations have to display entrepreneurial behaviour and have to focus on developing the supportive organizational culture for surviving in complex market conditions. Accepting EO as the major component of the firm's strategic planning and strategic behaviour can have positive influence on the firm's performance. The strategic behaviour of the firm is determined by firm's culture (Engelen, Schmidt, & Buchsteiner, 2015). Therefore, Organizational culture is also significant for gaining competitive advantages over the competitors and to achieve high performance and productivity. Entrepreneurial activities are considered as the source of competitive advantage and vitality that helps to take the business performance to superior levels. Entrepreneurial or innovative activities have the ability to refresh the activities of the refresh business organizations, irrespective of their sizes and nature (Karacaoglu, Bayrakdaroglu & San, 2012).

The culture within any organization has the capability of influencing entrepreneurial orientation and business performance. The Entrepreneurial Orientation is at the heart of the corporate entrepreneurship and has come up as an important and powerful tool for making a business successful (Bayarçelik, & Özşahin, 2014). This paper will provided a review of literature related to the explanation of Entrepreneurial orientation (EO) and Business Performance. The first section of the review will focus on defining both concepts on firm levels. The other sections will discuss the impact and role of culture on Entrepreneurial Orientation and Business performance. Paper will also review the literature related to the concept that how culture can have significant impact on the performance and how cultural differences are accepted through EO. Since, EO is firm based and societal culture is a higher level concept. Therefore, relation between EO and performance will be analyzed in terms of societal culture.

### **What is Entrepreneurial orientation (EO)?**

Entrepreneurial orientation (EO) is the strategy making process used in the firms. The process of making the strategy involves planning, decision making, analysis, and also requires incorporating culture, values and mission in the strategy. Making the strategy is associated with taking actions with the committed resources. EO also includes the procedures and policies of the firm that will

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be used as the base for the entrepreneurial decision making and action taking. Rauch et al (2009) has define EO as the “*entrepreneurial strategy-making processes that key decision makers use to enact their firm’s organizational purpose, sustain its vision, and create competitive advantage(s)*” (p. 6). EO is considered to be significantly applied to the small and medium size enterprises. The removal of the global trade barriers has increased the completion in the market for the firms. This creates pressure for the small and medium sized enterprises to compete in the emerging economy.

Some of the studies have doubted the efficiently of EO. Though there is a positive relationship between EO and business performance. However, the evidences could not answer a question that what will be the effect of EO on the business performance in the time economic crisis and uncertain environment (Kraus et al, 2012) SMEs face lot of pressure and from the competition because of the increasing number of the sophisticated customers and difficulty in maintaining and improving business conditions (Kreiser, & Davis, 2010). Such firms require the entrepreneurial mindset for identifying the opportunities and threats to ensure the successful survival of the firm in changing market conditions. Therefore, EO has been a significant approach to survive in global competitive market. EO is divided in five different dimensions or the components. These dimensions are risk taking, proactiveness, innovativeness, competitive aggressiveness and autonomy (Semrau, Ambos, & Kraus, 2016).

## **Dimensions of EO**

Various dimensions of EO can be derived from the entrepreneurship literatures.

### **1. Risk Taking**

Risk taking mainly involves taking the bold actions that may result in negative consequences for the business. However, for surviving in the global market, companies have to take risk to that may include venturing with the unknown people, borrowing big amount for business and committing ventures in an unpredictable and uncertain environment (Otache & Mahmood, 2015). However, risk taking is the most significant element of entrepreneurship. It mainly understood as the risk that people take for themselves rather than being employed. Yet, this dimension of EO is widely applied to the organizations, where the senior staff members or the

managers take the risk of committing to large amount of resources with the uncertain outcomes. Risk taking is significant part of SMEs (Engelen, Schmidt, & Buchsteiner, 2015).

## **2. Proactiveness**

Rauch et al (2009) states that “*Proactiveness is an opportunity-seeking, forward-looking perspective characterized by the introduction of new products and services ahead of the competition and acting in anticipation of future demand*” (p. 7). This is the ability of the entrepreneurial actions to anticipate the future opportunities. This proactiveness can be associated with identifying the opportunities related to technological advancement and producing innovative products. The proactiveness is applied by understanding the demands of market and customers (Kreiser & Davis, 2010). According to the early economic and market thinking, proactiveness was the important action taken by the entrepreneurs for identifying the market place opportunities and proactively pursuing them. On the level of firm, it is said that proactive companies work as the market leaders and not followers. Proactiveness has significant relation with business performance. The organization is significantly affected by this dimension, as it affects the organizational structure and life cycle of the firm (Kreiser & Davis, 2010).

## **3. Innovativeness**

Innovativeness is the “*The tendency of a firm to engage in and support new ideas, novelty, experimentation and creative processes that may result in new products, services or technological processes*” (Bayarçelik & Özşahin, 2014, p. 825). Innovativeness can be considered as the predisposition to engage experimentation and creativity by introducing new products or services, as well as also displaying the technological leadership. Innovation can be considered as a very complex action, as it involves changes in the process of production (Kreiser & Davis, 2010). Some of the theorists and scholars have considered innovativeness as the integral part of entrepreneurship. This involves the use of varied resources and creating new combinations of the resources to make and produce new products. Innovativeness also refers to the firm’s capability to turn the resources in the innovative capabilities (Bayarçelik & Özşahin, 2014). The continuous process of revenue generation is mainly associated with the involvement of the new methods of production and transportation. Innovativeness is the element in business that is highly researched in terms of organizational and individual entrepreneurship.

#### **4. Competitive Aggressiveness**

Competitive aggressiveness can be considered as the aggressive response towards the competitive threats. This is also considered as the ability of the firm to outperform the rivals. According to the evidences proactiveness and competitive aggressiveness are highly related to each other (Shan, Song, & Ju, 2016). Proactiveness also encourages the business owners to proactively take part in identifying the opportunities and threats for preparing the better strategies for business. The researchers also believe that proactiveness and competitive aggressiveness are same dimensions and they have similar impact on the firm's performance. Competitive aggressiveness also refers to directly engaging with the competitors for getting a position in the competitive market (Lechner & Gudmundsson, 2014). It is also found as the most significant part of EO in current global place.

#### **5. Autonomy**

The evidences have shown that firms with more significant EO are likely to perform better in market. The magnitude of the relationship between EO and performance may vary, still their relationship can't be denied (Covin & Miller, 2014). Autonomy has also significant impact on the business performance. It refers to the actions taken by the individual or the team for bringing new ideas and vision without being held back by the organizational constraints (Lechner & Gudmundsson, 2014). It also refers to make decision without any predefined supervision. This enhances the business performance and is considered as a part of organizational culture. Autonomy can also be considered as the dimension that refers to the ability or the willingness of the employees to take the self directed actions and to grab opportunities in their self directed manner (Lumpkin, Cogliser, & Schneider, 2009). Autonomy allows the entrepreneurs to feel free and make decisions and work according to these decisions.

#### **Business Performance**

Business performance can be referred to as the subjective and objective, financial and non-financial achievements attained by an organization (Sibiya, Sandada & Mago, 2016). These achievements are evaluated in terms of business performance and in relation to all the stakeholders, shareholder and employees of the organization. The capability of the organization is directly associated with the performance of the company (Franco-Santos et al, 2007). Studies

have also found that knowledge management capability and organizational capability have significant impact on the business performance. The capabilities of the organization importantly rely on the EO of the company (Daud & Yusoff, 2010). Therefore, it can be said that organizational performance and EO are inter-related.

The business performance is affected by the various internal and external factors. These factors are the business activities, forces or institutions. Nasiripour, Raeissi, & Hosseini-Fahraji (2012), found that internal factors that can affect the performance of business are controllable. However, the external factors affecting business activities and performance are uncontrollable. The internal environment affecting business performance are strategic planning, decision making, which is controlled by the management and managers. Otache & Mahmood (2015) argues that external factors also have the significant impact in determining the business performance of an organization, because these factors are uncontrollable and can affect the performance in a significant manner. External factors could be as, unpredictable market and stiff competition (Rosenbusch, Brinckmann & Bausch, 2011).

### **Entrepreneurial orientation (EO) and Business Performance Relationship from the Perspective of Organizational Culture**

According to the evidences, a firm can be benefitted by applying the new ideas and concepts, by applying the innovative approach, displaying boldness through risk taking, proactiveness to identify opportunities before the competitors do and responsiveness. The relation between firm's performance and entrepreneurial orientation has received considerable attention from the research studies (Rauch et al, 2009). The studies have displayed that firm level entrepreneurial behaviour displays the relative engagement of the firm in risk taking, innovativeness and proactiveness. Such behaviour of the firm is positively associated with the growth and profitability of the firm. The magnitude of this relation and level of firm's performance vary from place to place. This can be associated with the degree of applicability of the EO dimensions (Vij & Bedi, (2012).

López-Gamero, Molina-Azorín, & Claver-Cortes, (2009) have found that business performance is also affected by the collaborative practices of the HRM. The uniqueness of the knowledge is increased by the HRM activities that also change the firm's knowledge to positive knowledge. The innovative activities therefore, have important influence on the firm's performance (López-

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Nicolás & Meroño-Cerdán, 2011). Business is also affected by the customer relationship performance and market orientation. The evidences have shown that business performance is affected by the various internal and external factors. The internal factors are those which are associated with the organizational culture. However, EO deals with the internal as well as external factors to enhance business performance (Rosenbusch, Brinckmann & Bausch, 2011).

The business environment in the global market place is rapidly changing that also influence the business models. For attaining profit with the existing operations, the organizations have to constantly look towards the new opportunities and innovations. Rosenbusch, Rauch & Bausch, (2013) the there is a strong relation between business performance and Entrepreneurial orientation. Walter, Auer, & Ritter, (2006) have also analyzed the relation of strategic EO and firm's performance. Study has shown that international performance of the firm can also be affected by EO. García-Morales, Lloréns-Montes & Verdú-Jover, (2007) has established the relation between innovativeness (a dimension of EO) and business performance and has established that innovativeness and dynamic organizational learning capabilities have significant influence on business performance.

Some of the studies have also proposed lower correlation between EO and business performance (Baker & Sinkula, 2009). Studies have also explains the relation of EO with business performance in an inverted position. This means that high degree of EO is not always considered being desirable for business and performance. They are also, not always desirable for the structural conditions and certain market. Thus, there is high variation identified in the reported relationship between EO and business performance. The variations in the results of the various studies are mainly due to some important factors. These factors can be "*difference in the scales of entrepreneurial orientation being used, difference in methodology being adopted, opinion regarding moderating variables and different indicator components of performance being measured*" (Vij & Bedi, 2012, p. 23). According to these evidences it can be said that Entrepreneurial Orientation is still a useful tool for predicting the performance of the business.

The performance of the business or the style of the business is understood as the culture of the organization. Culture can be considered as the way according to which it can be determined that how the firm do things and what are the unique qualities of the people in the firm (Shihab, Wismiarsi, & Sine, 2011). The interest in understanding the organization culture and its relation



to business performance and EO has increased, as it is believed that certain organizational cultures have the capability of improving the firm's financial performance García-Morales, Lloréns-Montes & Verdú-Jover, (2007). The various kinds of organizational culture can promote financial performance, market share and can also help to gain competitive advantage. Culture has the capability to influence the competitive position for the firm, and this is the reason that it has steamed the interest of the scholars in the business studies. The competitive position of the firm is developed and enhanced through EO therefore, culture have significant role to play in EO and business performance (Basu, 2015). Research studies have also found that culture strength of an organization can improve the financial performance in terms of both, long term and short term benefits. Culture also boosts the competitive position that is important for EO because, the highly motivated employees are often dedicated to their goals that influence the organizational performance (Basu, 2015).

Culture also helps in developing the organizational competences and winning the competitive advantage. With the supportive and encouraging organizational culture, the employees of the organization are inspired to work hard and to improve the well fare of the customer that helps to gain competitive advantage (Engelen, 2010). This explains that organizational culture is determinant for the entrepreneurial orientation and this refers to all aspects of the organizational activities, including decision making, practices and processes (Jogaratham, 2017). Kraus et al (2012) finds that though there is a positive relationship between EO and business performance, the cultural contingences can display the variance between EO and performance relation.

### **Entrepreneurial orientation (EO) and Business Performance and Role of Organizational Culture**

In the changing business world and market place, small and medium sized business has created many innovations for maintaining the competitiveness and making a place in the global market. EO can be considered as a significant framework that enables the firms to identify new opportunities and turn these opportunities in a new revenue generation process. Various dimensions of EO displayed that business performance is based on these dimensions. If the risk taking behaviour of the entrepreneurs is correct according to the business environment, then business performance can be improved. Culture also has significant impact on EO and business

performance. It has been found that different cultural variables can modify the dimensions of EO. Different dimensions of culture have significant impact on EO and business performance.

## **1. Entrepreneurship and National Culture**

The national entrepreneurial activities are not considered as recent. The scholars have given the central role to the culture. Bouchard et al (2008) states that *‘culture is the conductor, and the entrepreneur is the catalyst of entrepreneurial activity* (p. 5). The influence of the institutional activities such as legal, financial, technological and political, can't be denied. Yet, the informal institutions also have significant role to play in national culture and EO. This means that socially transmitted information are also the part of national culture. Therefore, the entrepreneurial activities and orientation are also influenced by the informal institutions such as regulating bodies, political parties and financial system. Engelene (2010) had stated that *“Culture consists in patterned ways of thinking, feeling, and reacting, acquired and transmitted mainly by symbols, constituting the distinctive achievements of human groups, including their embodiment in artifacts; the essential core of culture consists of traditional (i.e., historically derived and selected) ideas and especially their attached values”* (p. 355).

The essential elements of culture are derived from the traditions, which are the historically selected and derived ideas. It also gives importance to the values that are attached to the traditional ideas (Engelene, 2010). This example displays the two significant element of the national culture; first is that the national culture refers to the group of people and not just individuals and second characteristic of the national culture is that it is divided in several layers and each layer has their own values that influence the behaviour and interaction of the people in society (Kreiser et al, 2010). The third significant aspect of culture is that, it is not acquired by any means, but it is learned over time. Kreiser et al (2010) also found that national culture have significant impact on the various levels of entrepreneurship in the society, while Engelen (2010) explains that national culture affects the way in which the entrepreneurial orientation is adopted by the organization.

National culture enters the organizations through the individuals. Socialization is the key process of personality development and acquisition, so the values and personality of the people are developed before they come to organization (Schneider, Ehrhart & Macey, 2013). However, as national culture is considered as a social phenomenon, the process of socialization is

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significantly influenced by national culture. This influence is reflected through the culture of the organization, which is formed by the values, individual perception, behaviour and interactions with each other. All these aspects of the personality are influenced by the national culture which people bring to organization (Petrović et al, 2015). *Cultural values indicate the degree to which a society considers entrepreneurial behaviours, such as risk taking and independent thinking, to be desirable*” (Bouchard et al, 2008). Therefore, the culture also influences the business performance of the organization.

National culture can also have significant impact on the level of innovation applied by the organizations. Since, the level of innovation describes the business performance; innovation can also explain the importance of cultural factors (Strychalska-Rudzewicz, 2016). The culture that supports the individuals to develop strong working skills and strong innovative skills are tend to avoid uncertainty and improve business performance.

## **2. Uncertainty in Business and Organizational Culture**

In the disciplines like economic history, sociology, anthropology, the researchers have found the variation in the economic performance of the various companies being affected by heir national culture. One of the significant example of the France’s weak financial performance in 19<sup>th</sup> century displayed that the entrepreneurs of France lack boldness and innovativeness in their approach. The entrepreneurs of France based their business activities on their patrimonial logic, due to which they were unable to survive the change (Landes, 2015). It was found that people from different culture exhibit difference in the pattern of their perception and attention.

Entrepreneurship is associated with risk taking, which means to take risk, when the market is uncertain or there is a perceived environmental uncertainty (McKelvie, Haynie & Gustavsson, 2011). Uncertainty can also be considered as the salient feature of entrepreneurial. The study found that ‘cultural consequences’ always remain present within the organization in the form of uncertainty due to the presence of different cultures in international organizations (Liu & Almor, 2016). It was also found that entrepreneurial orientation, stress and personal attitude of people are the significant differences found in organization culture that defines uncertainty (Liu & Almor, 2016). It is also significant for the entrepreneurs to evaluate the various evidences from the cultural influence on business performance, individual recognition, personal reasoning and

logic for developing a comparative perspective of the influence of various aspects of culture on performance and EO.

EO focuses on defining and finding the measures of environment uncertainties in business. Culture is also considered as a very significant element that has been analyzed by the entrepreneurs for developing a perception of uncertainty. The study of Telman (2012) focuses on defining the relationship with culture and entrepreneurial processes. He finds that culture is a collective programming of the mind that impacts the various activities and decisions taken by entrepreneurs. Culture defines the underlying values as well as the behaviour of the people that will further define the business performance (Telman, 2012). The question arises about the family business, where the same cultural values are passed on and the uncertainties of the culture remain a question in such cases.

Cruz, Hamilton, & Jack, (2012) focused of finding the entrepreneurial activities, by understanding the culture in the family businesses. Earlier concept behind the family business was that funder centric entrepreneurial approach is applied for decision making in family business, which significantly overlooked the development of the entrepreneurial culture Cruz, Hamilton, & Jack, (2012). Therefore the researcher focused their research on understanding this process in family businesses. Duh, Belak, & Milfelner (2010) found that '*non-family firms, family firms are different in their set of goals because of the controlling family's influence, interests and values which provides firms with a stronger culture*' (p. 475). It is also found at family ownership of the firm allows the members of the family to control the values and belief within the family business that could help in controlling the uncertainties to some level (Duh, Belak, & Milfelner, 2010). The activities and behaviour displayed by the entrepreneurs align with the external complexities and display business performance in balanced form (Seaman, Bent & Unis, 2016).

### **3. Entrepreneurial climate and Impact on Business Performance**

The modern companies are more focused on the entrepreneurial behaviour, this is the reason that entrepreneurs are approaching towards creating an appropriate culture or climate. EO is considered as a very important tool for the modern firms in terms of industry culture, performance behaviour of employees and also internal organizational factors (Fu, & Deshpande, 2014). The relation between business performance and EO has been widely analyzed by the

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scholars, but effect of culture on business performance has been underrated. The corporate entrepreneurship requires the appropriate application of Entrepreneurial orientation that consists of the organizational culture (Gertsen & Söderberg, 2011). The external and internal environment of the organization poses challenge in front of the managers to balance them through their risk taking capabilities and innovativeness. Climate or culture of the organization not only depends on the culture of the employees, but it is also influenced by the efforts of the managers. The organizational climate has to be created by understanding the culture, and such environment must encourage employees to display innovativeness and creativity. Creativity is very important for successful business performance (Fu, & Deshpande, 2014).

Business performance is the analysis of the success of the firm, which is affected by EO and its various dimensions. It is also affected by the financial factors, market, decision making and organizational culture (Kotter, 2008). Organizational culture also has significant association with productivity. Culture helps to understand the level of cooperation among the employees, conflict resolution strategies and also interaction between the employees and management of the organization. If the culture is beneficial for the employees and management then, productivity increases (Awadh & Alyahya, 2013). The commitment of the employees towards the organization increase with encouraging climate and cultural satisfaction. The perceived organizational support tend to influence business performance (Fu, & Deshpande, 2014). The business activities and performance of the employees also depend on the external factors of uncertainty, dynamism and change. Therefore, the EO decision making has to be more influential.

Chuang, Morgan, & Robson (2012) found that organizational behaviour also defines that way through which organization is going to control the external factors. Therefore, it is very important for the firms to display entrepreneurial culture. Such culture encourages the organizations to be innovative, creative and risk taking in their approach, which is also important for the entrepreneurial activities. These activities positively influence the business performance (Idar, Yusoff & Mahmood, 2012). The culture of change and innovation is necessary for positive organizational performance and to retain the cultural capital in the organization (Michael, 2017). For this purpose the business owners and entrepreneurs have to behave entrepreneurially and should display innovativeness and proactiveness, to form a valuable culture within organization. The direct and indirect effect of the external factors can be seen on the business performance.

Therefore the culture of organization can help in understanding and effectively addressing the internal and external factors (Michael, 2017).

#### **4. The influence of corporate culture on Entrepreneurial Orientation and Business Performance**

Corporate culture has very high influence over the entrepreneurial orientation and business performance. The national and industry culture could explain the entrepreneurial behaviour in the firm. However, corporate culture is also of great significance for an organization. The studies have shown culture as the internal factor that has the capability of influencing the entrepreneurial behaviours (Bouchard et al, 2008). It is also found that every organization has their tangible and intangible traits that help to establish their unique identity and culture. The effective corporate culture can work as an asset for the organization and can also be determinant of the strategic behaviour of the firm. Corporate culture has significant place as national or industry culture. Therefore, broader understanding of the corporate culture is significant to determine its influence on entrepreneurial orientation and business performance (Krueger, 2007).

Corporate culture has several dimensions. The first dimension is that it acts like a pervasive context for everything that individuals do in the organization. The corporate culture is also manifested in the business standards, principles, values, ethical standards and various approaches of personnel management (Eccles, Ioannou, & Serafeim, 2012). It is also used to develop the policies and procedures for enhancing performance and strategic orientation. Corporate culture also helps to develop a standard organizational environment that facilitates better interaction and relationships among the managers and employees. *‘Corporate culture defines what is expected by others, what behaviors are rewarded by the community, how and what things are valued, be they a dress code, the office space, work habits, or anything else’* (Bouchard et al, 2008, p.12).

#### **Conclusion**

Culture plays very significant role in the personal and professional life of individuals. Culture has the capability of defining the failure or success of the organization. paper discussed the various aspects of culture that can influence Entrepreneurial Orientation and Business performance. Paper provides the review of literature to illustrate the various factors of national, industrial and corporate culture and its role in influencing EO and performance. Organizational

culture has significant relation with corporate entrepreneurship and business performance. It can be concluded that by understanding the various entrepreneurial activities, the culture of organization and performance can be determined. Every individual in the organization has their own values and belief. When the people come to join an organization, they also bring their values and belief to organization that forms the organizational culture.

Culture has been investigated by various researchers in different aspects. However, it is found that culture impact EO in terms of decision making, risk taking, innovativeness and also autonomy to some levels. Culture also influences the performance of the employee as well as performance of business. With the adoption of organizational culture, employees can enhance their performance and capabilities and it will also influence the strategic orientation of the organization. Therefore, it can be said that role of culture is embedded in the concept of entrepreneurial orientation and business performance and it can take entrepreneurship to very high levels.

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