



FEDERAL UNIVERSITY OTUOKE JOURNAL OF MANAGEMENT SCIENCES

STRATEGIC ORIENTATION AND PERFORMANCE OF SMALL SCALE ENTERPRISES (SMES) IN DELTA STATE

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ABSTRACT

A firm's strategy influences its structure, investment, activity, relations with the market, and performance. The performance of small and medium enterprise, SMEs, in Nigeria greatly relies on the strategic orientation of the enterprise. The general objective of the study is to examine the effect of strategic orientation on organizational performance of SMEs, in Delta State. The study employed the cross-sectional survey research design method. In order to select the sample respondents; stratified random sampling method was employed. Out of the 550 employees of the selected SME's, 226 employees were chosen as the sample size for the study. Data was gathered to test the hypotheses of the study with structured questionnaire. Both descriptive and inferential statistics were employed for analyses of respondents' opinions. Findings showed that market orientation, competitor orientation and technology orientation, which are the dimensions of strategic orientation, have significant positive relationship with organizational performance. Market orientation has the highest positive effect on organizational performance. The study concluded that strategic orientation has effect on organizational performance in the statistics in Delta State. It was recommended that strategic orientation can be done in isolation, but it is much more effective when done in a participatory exercise involving all key stakeholders of the enterprises to create synergy for effective results and market success.

Keywords: Strategic Orientation, Market Orientation, Competitor Orientation, Technology Orientation, Performance

INTRODUCTION

The need for firms to behave strategically in a competitive environment in order to gain competitive advantage while trying to maintain current market leadership is important in realizing firm level of profitability. Currently, increasing customer demands, globalization, government regulations, and severe competition and substitute services put huge pressures

on firms. Accordingly, enterprises have to create novel philosophies that determine the decision-making framework, plans, the nature and scope of their activities, which guarantee the growth and sustainability of the enterprise. While it is difficult to attain strategic competitiveness in such turbulent and complex markets, (Ekakitie, 2018; Al-dalahmeh, Khalaf & Obeidat, 2018) enterprises use different methods to attain the right level of competitive advantage in their pursuit to ease such difficulties. These difficulties if allowed to fester and accumulate could create a deficit of clear and deep understanding of what influence organizational performance. The aim of any strategic orientation is to attain the right level of performance returns that allows firms to be competitive and to survive over time (Masa'deh, Al-Henzab, Tarhiniand, & Obeidat, 2018).

The rise and fall of firms across the globe depend on one simple rule of how it can prioritize on the strengths and opportunities available to respond to threats and minimize weaknesses (Baker & Sinkula, 2015). For a firm to be successful, its product must satisfy customer need in the marketplace (Ogunkoya & Shodiya, 2013). As an offshoot to this axiom, firms generally anticipate that the marketing concept and customer-orientated behaviors should guide marketing mix decisions. If an enterprise has a clear road map on where it is headed, there is no doubt it will accomplish its set goals. Although weaknesses and threats exist, a company can overcome competitive challenges using its strengths and available opportunities. However, many businesses fail because they cannot identify what they are good at or weak in and thus drawing a strategic direction become challenging due certain situations (Lechner & Gudmundsson, 2014). Hence, many firms remain in the 'firefighting' mode of handling what comes their way daily not knowing they need to recognize the specific business strategy, practice what they are best at and focus on realizing short term and long term goals amidst their weaknesses and threats.

Some firms neglect charting a clear road map of success because they only focus on what is happening presently oblivious of wider dynamics in the business environment. Thus, they become reactive rather than proactive (Mwaura & K'Obonyo, 2018). Strategic orientation can be done in isolation, but it is much more effective when done in a participatory exercise involving all key stakeholders of the enterprise. The strategy's rational outcome can then be understood and accepted by all decision-makers and field employees (Mwaura & K'Obonyo, 2018). A firm's strategy influences its structure, investment, activity, relations with the market, and performance. Al-Ansaari, Bederr and Chen (2015) stated that firms can utilize their strategies as a way to create new capabilities and solve problems. While a strategy can provide the framework to help the firm and its managers deploy required capacities, it equally helps identify new opportunities for providing customers with acceptable products and services. This can also deliver and sell such products or services in the marketplace with higher profits through strategic orientation. The strategic orientation of an enterprise reflects the strategic directions employed to make the right behaviors for the sustainability and the peak performance of its business (Chahal, Chahal, Dangwal, Dangwal, Raina & Raina, 2016).

Organizational performance is the end result of activities that include the actual outcomes of the strategic management process (Wheelen & Hunger, 2017). Tomal and Jones (2015) stated that organizational performance is the actual outputs or results of a firm as measured against that firm's intended outputs. The performance of small and medium enterprise in Nigeria greatly relies on the strategic orientation of the enterprise. An

enterprise will succeed in business if it has the focus on what it can do best, how it can improve customer experience, engage the employees to understand the strategy and draw up a calendar of how to attain the desired objectives (Scott-Kennel & Giroud, 2015). Small and medium enterprises could therefore grow in leaps and bounds if they see the secret of having a well-defined strategy orientation and executing it as it has a direct influence on the performance of the enterprise. Once an enterprise has no direction, it means anything will be accepted as progress and there will be no measuring rod to gauge how better or worse an enterprise has performed. Some enterprises could plunge into frustration if they fail to have a noticeably cut strategy orientation.

The performance of SMEs specifically in Nigeria has not been particularly excellent. The relationship between strategic orientation and organizational performance has been a subject of growing interest in the field of strategy studies (Hill, Jones and Schilling, 2014). Despite this trend, there has been little attention given to this relationship. Strategic orientation is typically linked with large organizations. SMEs are generally managed by owner-managers who make strategic decisions typically based on realistic perception. Therefore, the study aims to examine the effect of strategic orientation on organizational performance of SMEs. The study also aims to determine the effect of market orientation, competitor orientation and technological orientation on organizational performance.

LITERATURE REVIEW

Strategic Orientation

Strategy is situational, multi-dimensional and encompasses the positioning and adaptation of a company's internal capabilities, resources, activities and combinations thereof, both in response to threats and in taking advantage of opportunities present in the firm's external environment. Strategic orientation refers to the way in which a company adapts to its external environment (Avci, Madanoglu & Okumus, 2011). In other words it is the pattern of responses that an enterprise makes to its operating environment in an effort to improve performance and attain competitive advantage (Kumar, Boesso, Favotto & Menini, 2012).

Strategic orientation is the principles that direct and influence the activities of an enterprise and generate the behaviours intended to ensure the viability and performance of the firm. These principles can be employed to guide the activities of the firm (Masa'deh, Gharaibeh, Tarhini & Obeidat, 2015; Shannak, Obeidat & Masadeh, 2012). Strategic orientation entails different steps which consist of defining the problem area, identifying strengths, weaknesses, opportunities and threats from internal capabilities analysis (Coles, Lemmon & Meschke, 2012). It involves recognizing the strengths and weaknesses (from external analysis) while short listing the opportunities and threats based on joint discussion or brainstorming. Developing strategic options and generating concrete strategic options that would take advantage of this opportunity or reduce possible threat. Related researches on strategic orientation are either conducted in a holistic approach or a subdivision approach, that is, strategic orientation is an integrative concept consisting of its own dimensions or strategic orientation is a mix covering entrepreneurial orientation, marketing orientation and learning orientation (Liu and Fu, 2011).

Studies on strategic orientations have particularly flourished over the past two decades, with extensive attention from researchers in the areas of management, entrepreneurship and marketing (Hakala 2011). They have examined a number of strategic

orientations such as relationship orientation (Sin, Alan, Tse, Yau and Jenny, 2005a), market orientation (Chad 2013), entrepreneurial orientation (Zhao, Yuan, Soo & Long, 2011), technology orientation (Hortinha, Carmen & Luis, 2011) and learning orientation (Wu & Lin 2013).

Cadogan (2012) posit that strategic orientations are simply reflections of how some firms operate. For example, a firm is said to be market oriented if it devotes its resources to gathering market intelligence in order to better respond to customer needs. Benson-Rea, Roderick and Herbert' (2013) show that the increasingly dynamic business environment and strong financial pressure have driven firms to employ multiple business models simultaneously to maximise value creation. As a result, there have been continuous calls from empirical studies to investigate multiple strategic orientations simultaneously (Cadogan 2012; Hakala 2011; Mu & Di Benedetto 2011). In particular, there is a further need to investigate the potential interaction effects of different strategic orientations on business performance. The dimensions of strategic orientation revolve around the ability of an enterprise to match and balance the strengths, weaknesses, opportunities and threats. Drumaux and Joyce (2014) posit that strategic orientation is a particular technique adopted to develop strategies. It is a method based on the analysis of strengths, weaknesses, opportunities and threats (SWOT). It generates a number of realistic alternatives and provides a prioritization. However, identifying strengths, weaknesses, opportunities and threats is not enough. Depending on their joint pattern strategic choices have to be made. Strategic orientation is a technique to integrate and match strengths, weaknesses, opportunities and threats in order to arrive at a number of strategic options from which a choice can be made (Bloom, Genakos, Sadun & Van Reenen, 2012).

Organizational Performance

Organizational performance is a broad concept that includes both financial performance, as well as operational performance indicators. Performance measurement depending only on financial indicators is not enough; hence non-economic indicators (market share, product development or production efficiency) are used for measuring business performance (Dahan & Shoham, 2014). Moreover, achieving superior performance represents a central area in strategic management and marketing management (Tutar, Nart & Bingöl, 2015). In the same view (Reijonen, Hirvonen, Nagy, Laukkanen & Gabrielsson, 2015; Deutscher, Zapkau, Schwens, Baum & Kabst, 2015) argued that the financial measurement is not sufficient for understanding organizational performance because of the complexity of the variables. Non-financial measurement has increased due to this observation. A work environment that is set out on how they can best work together to achieve the required results will lead to performance. Performance is the end result of activities. It includes the actual outcomes of strategic management process (Agha, Alrubaiee & Jamhour, 2012). Many performance measurements and models have been developed and supported by various authors, such as: profitability, productivity, efficiency, effectiveness, adoptability, growth and innovation (Harrim, 2010). Organizational performance is a measurable result and the organizational decision includes the success and accomplishment of options and choices earlier made. Costs are key parts of performance - while performance includes competitive purpose, spiritual prevalence, reliability, flexibility, quality and rapidity (Amirkhani & Reza, 2015).

Performance could be estimated in both objective and subjective methods. For this purpose, there are three types of factors that have been mostly engaged in organizational performance studies: profitability, growth and market share expressed by non-financial or financial indicator. Since financial indicators and performance indicators are even weakened, particularly in the changing competitive environment, non-financial performance should be represented in order to fill the gap of incomplete information (Zehir, Can & Karaboga, 2015). Therefore, performance measurement has been defined as the process of quantifying activities that lead to performance, from the perspective of strategy. Organizations achieve their goals by satisfying their customers with higher efficiency and effectiveness than their rivals (Maurya, Mishra, Anand & Kumar, 2015). Organizational performance can be seen as a multi-dimensional structure that includes more than simply financial performance. It is described as the scope to which the organization is capable to match the scope of its stakeholders and its own needs for survival. Although financial and operational results are inter-related, they nevertheless reflect different face of organizational performance and their normal direction is complicated (Lau, 2011).

We hereby peruse the various types of orientation vis-a-vise organizational performance.

Market Orientation and Organizational Performance

Market orientation is the culture which supports the creation of values in the market and is oriented by the market in order to attain competitive advantage (Hasan, Sima & Dursun, 2015). Market oriented enterprise culture is to sensitize all activities of the enterprise to the changes in the market and to be reproduced. Marketing was positioned among top functions of an enterprise, which showed the fact that all the marketing functions need to be coordinated and integrated in order to maximize profit on long term (Kirca, 2011). By using marketing orientation, enterprises manage to satisfy their customers' needs over the long term (Chad, 2013; Kirca, 2011). Market orientation developed its origins from marketing as the management philosophy meaning that the company goals are to determine the needs and preferences of consumers and to deliver customer satisfaction. Market orientation leads to better positioning of the market; it tends to maximize the methods on how to create an offer that is designed based on the preferences of the target market (Kim, Imand Slater, 2013).

When a company follows market orientation to create value for a customer that is rare and difficult to imitate it can be a sustainable source of competitive advantage which will enable firms to outperform their less market-oriented competitors (Altuntaş, Semercioz, & Eregez, 2013). Market orientation is a centrally relevant idea on marketing in a growing number of fields. Although the concept of market orientation has received considerable attention and how firms develop greater market orientation has become a main concern. Research in strategic management has identified the attributes of market-oriented firms, so the market orientation is a foundation of marketing and is increasingly relevant in other fields such as strategic management. However, how firms change to become more market-oriented has received less attention (Altindag & Zehir, 2012).

Researchers' effort to provide a perfect understanding of the impact of marketing on organization performance was reflected in many studies which indicate a positive relationship between market orientation and performance (Kumar Subramanian & Strandholm, 2011; Kirca, 2011; Idar, Yusoff & Mahmood, 2012). Any competitive

environment brings about changes in companies and forces managers to search for the best strategies that will support the firm to gain or sustain a competitive advantage in the marketplace (Avci, Madanoglu & Okumus, 2011).

Jaworski and Kohli (2013) suggest that the relationship between a market orientation and performance appears to hold across a range of contexts, and that it may aid performance in spite of the company's external circumstances. Slater and Narver (2010) found little support for the effect of competitive environment and suggest that a market oriented firm should be prepared to achieve and sustain competitiveness. They state that market orientation influence performance in different ways, either by providing a customer oriented focus or reshaping a company's culture for developing greater value for customers. Chahal and Kumari (2011) emphasize the need for organizations to move from the level of studying customer segments to shaping separate offers, services and messages to individual customers. Hence such organization may need to collect information on each customer's past transactions, psychographics, demographics, distribution and media preferences. And they would hope to attain profitable growth via expenditures by building high customer lifetime value (Slater & Narver, 2010). Thus:

Ha₁: There is a significant positive relationship between market orientation and organizational performance.

Competitor Orientation and Organizational Performance

Competitor orientation is the ability to foresee current and potential competitors' strengths and weaknesses in the short term; their competence, efficiency and strategies in the long term (Hasan, Sima & Dursun, 2015). A manager with a competitor orientation wants to succeed over others even at the cost of profitability (Bendle & Vandenbosch, 2014). Competitors are the most relevant stakeholders in an industry that a firm must observe seriously. An enterprise is forced to act persistently so that its customers will not be attracted by its competitors. A company must present its products to the customer optimally, indicating how it is different from its competitors. It must at all times proceed at high levels and be respectful towards its competitors, in spite of the fierce competition (Dahan & Shoham, 2014).

Competitor orientation is the focus on in depth assessment of a group of selected competitors. Under this kind of strategic orientation, firms focus on the competitor. The aim of strategic functions is to offer capabilities and resources as well as to circulate the information gathered from this estimation. The competitor orientation entails the continuous observation of the competitor and getting opportunities by producing products and services that are distinct from those of competitors (Reulink, 2012; Al-Mohammad, 2010). Competitor orientation minimizes the company's profitability in order to be better than the rival by pressure. Therefore, organizations should not only focus on rival tactics, but focus on maximizing their own profits. Thus:

Ha₂: Competitor orientation has a significant positive relationship with organizational performance.

Technology Orientation and Organizational Performance

Technology orientation involves behaviours such as strong commitment to research and development (R&D), the application of the latest technologies in new product development, and acquisition of new technologies from both inside and outside of a firm's

industry (Mu and Di Benedetto 2011; Yang, Qing, Hengyuan & Guisheng, 2012). As such, technology orientation enables the firm to have a dual focus on internal resources (e.g. scientific expertise, design and production processes) and external opportunities (e.g. scanning for new technologies) (Yang, *et al.* 2012). In relation to the consequences of technology orientation, studies have shown that it positively impacts innovation-related outcomes such as innovation performance (Yang *et al.* 2012) and new product commercialization performance (Mu & Di Benedetto 2011).

However, given that investing in R&D and acquiring new technologies requires significant financial resources upfront, it is possible that the positive effect of technology orientation may not manifest in the short term. Chandler (2010) contends that technologically-oriented companies devote their resources to acquiring new and advanced technologies and developing new products, processes and services hence high organizational performance, although, the rate of technological changes within an industry might influence their technological adoption and/or development.

Firms that have used a technology orientation aim at advances in innovations, technology and investments are made in irregular innovations and upsetting technologies on the assumption that entirely new market will appear (Drumaux & Joyce, 2014). However, technology is characterized by its high extent of uncertainty, indicated in aspects such as the level of output generated, the time in which these returns are produced, and the specific area of application. Additionally, even though companies develop technologies, rival companies might readily use these technologies, with the results that no benefits are harvested by technology orientation firms. There is even risk about whether the outcome expected from the technology investment will really be attained (Ameer & Othman, 2012).

Technology orientation is consistently perceived to be associated with new product development (Kim *et al.* 2013; Yang *et al.* 2012). Firms that emphasize technology orientation endeavour to satisfy unmet customer needs by using state-of-the-art technologies in new product development (Yang *et al.* 2012). Mu and Di Benedetto (2011) argue that technology orientation is highly effective in achieving product differentiation and promoting product designs that surpass those of competitors. Kim *et al.* (2013) support Mu and Di Benedetto's (2011) argument and find that technology orientation contributes to the novelty and uniqueness of new products. Firms with a strong technology orientation have a strong commitment to R&D, acquire new technologies, and apply them in new product development (Yang *et al.* 2012). Such technological superiority is difficult to imitate and, therefore, it forms a competitive advantage (Mu & Di Benedetto, 2011). Thus:

Ha₃: There is a significant positive relationship between technology orientation and organizational performance.

Theoretical Framework

Strategic Management Theory

Strategic management theory was propounded by Drucker in (1954) who was a prolific management theorist. Strategic management theory deals with the formulation and implementation of the main aim and initiatives taken by a firm's top management on behalf of owners, based on consideration of resources and an evaluation of the internal and external environments in which firms competes. Slater and Narver (2010) noted that a collection of ideas which set forth general rules on how to manage a business or the firm. Management theory addresses how supervisors and managers relate to their firms in the

knowledge of its goals, the execution of effective means to get the goals accomplished and how to motivate workers to perform to the highest standard. Before changing company's leadership style, managers should make sure it does need altering. A new style may sound promising, but maybe what the company will be doing now works just fine. An assessment can also help the company identify strengths and weaknesses, so it can better determine what management theory is right for the organization.

Selznick (2007) asserts that central management is the mandate to only hire employees who possess the specific skill-set the job requires. Weber worried about the influence of nepotism, fearing firms would hire individuals not qualified for a job, and this would hinder the efficiency of the entire organization. By precisely evaluating an applicant's abilities, you ensure you hire only those who are a good fit for the job and the enterprise. This theory is relevant to the study since it promotes a systematic approach to strategy formulation that is rooted in the mission or purpose of the SME and tests the implementation choices and actions of the firms against that mission. The mission creates the direct basis for the particular targets the enterprise will select and attempt to attain the enterprise goals. It defines the form, nature and extent of assessment of the enterprise and its environment; as well as the nature of the corporate and business level decisions it makes.

METHODOLOGY

The research design that was employed for this study is the cross-sectional survey research design method. It is the choice of the researcher because it aids the researcher in the assessment of respondent's opinion at a particular point in time. In order to select the sample respondents, stratified random sampling method was employed. Stratified random sampling helped to represent not only the overall population, but also key subgroups of the population. The study population constitutes employees, managers and owners of key SMEs in four commercial cities of Delta State. A total of 550 respondents whom are employees and managers in these key SMEs in Delta State comprise the scope of the research population. The sample size that is a representation of the population which is studied in place of the entire population was determined by using Krejcie and Morgan (as cited in Kenpro, 2012) sample size determination table. To make up this subset, the approximate number was 226.

Data was gathered to test the hypothesis of the research with structured questionnaire. Primary data were gathered from the distributed questionnaires of the Likert-typed scale. To establish the reliability of the instrument, a test-retest method was employed. Hence, for this study a pre-test of the questionnaire was done. This pre-test enabled the researchers to detect certain irregularities that could have hampered the consistency of the study. Changes were made accordingly and the inputs of expert assessors were taken into consideration. Measurement of the model of reliability was assessed using Cronbach's alpha based tests. Cronbach's alpha provides an estimate of the indicator inter-correlations, an acceptable measure for Cronbach's alpha is 0.7 or higher, while below 0.7 connotes weak reliability (Seckaran, 2003). From Table 1 it was observed that the reliability coefficients were above the 0.7 benchmark. Favorable reliable scores were obtained from all the items in general. The estimation reported acceptable internal consistency. To meet the specified research objectives, quantitative data analyses were used for the study. Both descriptive and inferential statistics methods of data analyses were employed. Descriptive

statistics like frequency distributions and inferential statistics like multiple regressions was used to elicit meaningful information.

Results Tabulation

Table 1: Reliability coefficients of study constructs

Dimension of study constructs	Number of items	Cronbach's Alpha coefficient
Market Orientation	4	0.717
Competitor Orientation	4	0.712
Technology Orientation	4	0.711
Organizational Performance	4	0.721

Table 2: Model summary of R square

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.899 ^a	.808	.805	.6671

- a. Predictors: (Constant), technology orientation , market orientation , competitor orientation

Source: field data, 2019

Table 3: Analysis of Variance

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	395.071	3	131.690	295.959	.000 ^b
	Residual	93.887	211	.445		
	Total	488.958	214			

- a. Dependent Variable: organizational performance

- b. Predictors: (Constant), technology orientation , market orientation , competitor orientation

Source: field data, 2019

Table 4: Regression Analysis Regarding Dimensions of Strategic Innovation

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1.027	.676		-1.519	.
	Market orientation	.585	.043	.578	13.595	.0
	Competitor orientation	.166	.049	.155	3.418	.0
	Technology orientation	.294	.045	.277	6.542	.0

- a. Dependent Variable: organizational performance

Source: Field data, 2019

DISCUSSION OF RESULTS

A total of 226 copies of structured questionnaire were distributed to the respondents across the four commercial cities of Delta State under study and out of the 220 copies returned 215 were properly filled. Therefore, the analysis for this study was based on the

sample size of 215. The study showed that on the gender composition of the respondents 53% of the sample were males while 47% were females. The age bracket of the respondents showed that 20% of the respondents were below 30 years of age; 37% of the respondents' falls within the age bracket of 31-40 years of age, while 43% of the respondents were above 41 years of age and above. The marital composition of the respondents indicated that 40% of the sample respondents were single, while 60% other respondents were married. On the educational background of the sample, it was revealed that 30% of the respondents were OND/NCE holders, 56% of the respondents were HND/B.Sc holders, while 14% of the other respondents were postgraduate degree holders.

The test in Table 2 highlights that the value of the determinant coefficient which is 80.5% on organizational performance of SMEs can be explained by the variables of strategic orientation, while the remaining 19.5% are describable by other factors. The F-test in Table 3 has shown that market orientation (X1) competitor orientation (X2) technology orientation (X3) can predict organizational performance ($F(3, 211) = 295.959, p < .0005$).

Table 4 indicated that market orientation which is the first variable has the highest positive effect on organizational performance ($\beta = 0.578, P < 0.01$). The level of significance that was calculated in Table 4 is lesser than the established p-value ($0.000 < 0.05$), therefore the null hypothesis was rejected while the alternate was accepted which states that there is a significant relationship between market orientation and organizational performance. This is consistent with the view of Altuntaş Semercioz and Eregez (2013) that when a company follows market orientation to create value for a customer that is rare and difficult to imitate, it can be a sustainable source of competitive advantage which will enable firms to outperform their less market-oriented competitors. The implication of this finding is that market orientation affects performance in a number of ways, either by providing a customer oriented focus or reshaping a firm's culture for enhancing superior value for customers.

It was shown in Table 4 that competitor orientation which is the second variable has positive effect on organizational performance ($\beta = 0.155, P < 0.01$). Table 4 indicated that the calculated level of significance is lesser than the p-value of 0.05 ($0.001 < 0.05$). Therefore, the null hypothesis was rejected while the alternate was accepted which implies that competitor orientation has a significant relationship with organizational performance. This is in agreement with the assertion of Hasan, Sima and Dursun (2015) that competitor orientation is the ability to foresee current and potential competitors' strengths and weaknesses in the short term; their competence, efficiency and strategies in the long term. This implies that competitor orientation has effect on organizational performance of SMEs.

Drawing from Table 4 technology orientation, which is the third variable - it has positive effect on organizational performance ($\beta = 0.277, P < 0.01$). From Table 4 the calculated level of significance is lesser than the p-value established ($0.000 < 0.05$), this indicates that there is a significant relationship between technology orientation and organizational performance. In relation to the consequences of technology orientation, studies have shown that it positively impacts innovation-related outcomes such as innovation performance (Yang et al. 2012) and new product commercialization performance (Mu & Di Benedetto 2011). This indicates that technology orientation has been proven to affect organizational performance of small and medium enterprises.

In summary strategic orientation has effect on organizational performance of small and medium enterprises in Delta State. Market orientation, competitor orientation and

technology orientation which are the dimensions of strategic orientation have significant positive relationship with organizational performance.

$$Y = f(\beta_1X_1 + \beta_2X_2 + \beta_3X_3)$$

$$\text{Organizational Performance} = -1.027 + 0.585X_1 + 0.166X_2 + 0.294X_3 + \varepsilon$$

CONCLUSION

The study concluded that strategic orientation has effect on organizational performance in the small and medium enterprise. Market orientation leads to better positioning in the market and it helps to maximize the approach on how to create an offer that is designed based on the preferences of the target market. When an enterprise follows market orientation to create value for customers that are rare and difficult to reproduce it can be a sustainable source of competitive advantage which will enable firms to outperform their less market-oriented competitors. An enterprise with a competitive orientation will always want to win over others even at the expense of profitability. Competitors are the most relevant stakeholders that an enterprise must observe consistently. An enterprise is forced to act continuously so that its customers will not be attracted by its competitors.

Technology orientation involves behaviours such as a strong commitment to research and development (R&D), the application of the latest technologies in new product development, and acquisition of new technologies from both inside and outside of a firm's industry. As such, technology orientation enables the firm to have a dual focus on internal resources (e.g. scientific expertise, design and production processes) and external opportunities (e.g. scanning for new technologies).

Recommendations

The study recommended that:

- i. Managers should understand that there is need for firms to behave strategically in a competitive environment in order to gain competitive advantage while trying to maintain current marketing leadership.
- ii. Enterprises should have a clear road map on where it is headed, in order to accomplish its set goals.
- iii. Strategic orientation can be done in isolation, but it is much more effective when done in a participatory exercise involving all key stakeholders of the enterprises.
- iv. Managers should have a well-defined market, competitor and technology orientation programme and implement it effectively because they have direct influence on organizational performance.

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