ROLE OF ORGANIZATIONAL STRATEGY AND ENTREPRENEURIAL ORIENTATION ON ORGANIZATIONAL EFFECTIVENESS

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ABSTRACT

Effective functioning is the ultimate goal of every organization and this gives justification for the intense empirical interest to identify and understand the predictors of organizational effectiveness. This study examined the role of organizational strategy and entrepreneurial orientation on organizational effectiveness. The design was cross-sectional as data were collected at one point in time, and the instrument was self-administered questionnaires. One hundred and ninety-four participants were sampled from twenty-two privately-owned organizations. The respondent sample comprises 55% males and 45% females. Simple regression analysis revealed that organizational strategy and entrepreneurial orientation have positive predictive relationship with organizational effectiveness; however, for entrepreneurial orientation the relationship was not statistically significant. Multiple regression analysis revealed that two dimensions of organizational strategy and one dimension of entrepreneurial orientation have significant positive predictive relationship with organizational effectiveness. It was recommended that in a mixture of organizational strategies for organizational effectiveness, prospector and defender types should dominate, while for entrepreneurial orientation constituents, competitive aggressiveness should dominate.

Keywords: Organizational Strategy, Entrepreneurial Orientation, Organizational Effectiveness, Resource-Based Theory and Contingency Theory.

INTRODUCTION

Effectiveness functioning is the ultimate goal for every organization, and implicitly or explicitly the drive for every organization theory. Little wonder that organizational effectiveness is the central question in any form of organizational analysis, the decisive dependent variable for organizational researchers and a highly sought consequence of the multitude of activities and behavior of employees by organizational practitioners. The privileged importance attached to organizational effectiveness is understandable as organizations that are not effective face the process of decline and death. Although intensively desired and vigorously pursued, organizational effectiveness is a term that is complicated, controversial and difficult to conceptualize. The definitional difficulty with organizational effectiveness is essentially a reflection of the multitude of indicators associated to it. For instance, Campbell (1977) listed 30 different indicators that have been used by one or more analysts in the measurement of organizational effectiveness. As would be expected with the changing and expanding individual and societal needs and demands the indicator list is undoubtedly increasing. However, a few models have been proposed that accommodate in a manageable form the various indicators. Therefore, from synthesis of the extant models, organizational effectiveness could be defined as

the degree an organization achieves its stated goals, acquires the needed resources, functions with minimum internal strains, and meets the needs and expectations of its stakeholders. This is a hybrid approach to defining organizational effectiveness as it overtly or covertly implicates all extant models that include goal attainment, system resources, internal processes and stakeholders.

Organizational effectiveness is often used interchangeable with organizational performance. However, some scholar such as Richard et al. (2009) attempt to offer a distinction between the two concept and present organizational performance as a narrower concept than organizational effectiveness, but how these concepts are applied in the literature gave justification for their interchangeability. Some researchers have operationalized organizational performance narrower than organizational effectiveness, while some others have operationalized organizational effectiveness as a component of organizational performance. For instance, Anastasia (2008) measure of organizational performance covered effectiveness, efficiency, development, satisfaction, innovation and quality. Clearly evidenced in the, literature the scope of the each concept is not inherent in it, but in how it is conceptualized and adopted. Both concepts are adopted in organizational strategy, entrepreneurial orientation and organizational performance studies (Mohammed et al., 2017; Naserinajafabady et al., 2013; Mortazavi & Hassani, 2014; Uncapher, 2013; Zheng et al., 2010).

Statement of the Problem

Empirical effort on identifying determinants of organizational effectiveness is huge and on-going with increase intensity as today's environments of organizations are remarkably complex and turbulent. Consequently, organizational strategy and entrepreneurial orientation are examined in this study as antecedents of organizational effectiveness. The choice of the independent variables is informed by existing theoretical proposals such as resource-based (Adnan et al., 2018; Ismail & Rose et al., 2012) and contingency perspectives (Choong, 2014; Volberda et al., 2012) that implicate entrepreneurial orientation and organizational strategy in effective functioning of the organizations. Although some studies have been conducted on the relationship between the two independent variables and organizational effectiveness, the present research is necessitated by some gaps in the extant literature. First, the extant studies on strategy, entrepreneurial orientation and organizational effectiveness are extensively dominated by studies (Anwar et al., 2016; Conant et al., 1990; Jusoh, & Parnell, 2008; Saraç et al., 2014; Snow & Hrebiniak, 1980; Wang, 2008) that measured organizational performance only on financial criteria. A long-standing criticism of studies on organizational effectiveness is the sole use of financial indicators as measure of the variable (Bryman, 1989). As the various models revealed, organizational effectiveness is a multidimensional concept that integrates financial and non-financial concerns. Consequently, to measure organizational effectiveness an eclectic approach achievable through appropriate combination of elements the models is required for an unbiased measurement. Second, and related to the above, a few studies (Aremu & Oyinloye, 2014; Daniel, 2018; Nnamani et al., 2015; Innocent & Levi, 2017; Otaigbe & Chinedu, 2015; Taiwo & Idunnu, 2007) on relationship between strategy and organizational effectiveness conducted in the present research location (Nigeria) particularly and other locations (Kafashpoor et al., 2013; Naserinajafabady et al., 2013; Ng'ang'a et al., 2017) were not specific on the model of organizational strategy adopted and very vague in the presentation of the measure used for organizational effectiveness. These are serious methodological weaknesses that nullify comparison of the studies and result accumulation, and ultimately raised doubt on the validity of

findings from the studies. The purpose of this study is to contribute to the understanding of the predictive relationship organizational strategy and entrepreneurial orientation has with organizational effectiveness with a design that control for the methodological weakness noted above, among others. This study would be of value to organizational practitioners as it would guide in the manipulation of the independent variables for attainment of organizational effectiveness.

THEORETICAL FRAMEWORK AND HYPOTHESES DEVELOPMENT

Organizational Strategy

Organizational strategy refers to medium- and long-term general purpose and objective of an organization, and the activities which include resource allocation devised to achieve the objectives (Bateman & Zeithamal, 1990; Kavale, 2012). Appropriately formulated strategy put together the resources and core competencies of the organization in order to satisfactorily meet its goals and objectives. Strategy provides a structure for an organization to bring together, control its activities and increase communication among its members (Armstrong, 2003). It is a process that requires analysis of both the internal and external environment of the organization and responding accordingly for attainment of sustainable performance. The concept of strategy is multidimensional as it embraces all the decisive activities of the organization, provides it with a sense of direction, unity, and purpose, as well as make possible the needed changes in response to dictates of the environment (Hax & Majluf, 1986). Strategy is either equated with planning or as the process of management and as planning it proposes the gathering, sifting and analyzing information, making of forecasts, examining the forecast and deciding the best course for the organization by senior managers, while as a process of management it proposes putting in place a system of management that will facilitate the capability of the organization to respond to an environment that is essentially incomprehensible, unpredictable and, therefore, not open to planning (Dobson et al., 2004).

A number of models that identify various competitive strategies open to organizations exist in the literature. Miles & Snow's (1978) model comprises four types that covered defenders, prospectors, analyzers and reactors. The defenders have a limited range of products and focus on efficiency and process improvement; prospectors have a broad market or product domain and tend to lead change in the industry; analyzers fall between the above two groups and are likely to follow a second-but-better strategy, and reactors have no consistent strategy and they merely respond passively to environment pressure. The four types of strategy is well discussed to exist concurrently within industries with the proposal that if the viable strategies (that is, prospectors, defenders and analyzers) are appropriately implemented would produce comparable results and do better than the non-viable strategy (reactor). Porter's (1980) model consists of three types that comprises cost leadership strategy, differentiation strategy and focus strategy. Abell's (1980) model has three types that consist of differentiated, undifferentiated and focuses strategy. Treacy & Wiersema's (1995) model has three types that comprise operational excellence, product leadership and customer intimacy. And Miller's (1992) model includes craftsman, builder, pioneer and salesman. Although each of the models has its strength and weakness, Miles and Snow's was of choice in this study as it is the most enduring, examined and applied models (Lin et al., 2014), it is inclusive, comprehensive and parsimonious (Smith et al., 1986), and of detailed theoretical orientation and strong potential for generalizability to varied settings (Tan et al., 2006). The model is also adjudged to be particularly appropriate for the study

of relationship between strategy and organizational performance of different organizations and of different sizes (Anwar et al., 2016).

Entrepreneurial Orientation

Entrepreneurial orientation as a concept has been adopted both at individual and organizational levels. Entrepreneurial orientation at organizational level is widely conceptualized as the extent to which an organization innovates, behaves proactively, take risk, act autonomous and compete aggressively (DeepaBabu & Manalel, 2016; Lumpkin & Dees, 1996; Miller, 1983). Innovativeness is an organization's tendency to engage in generation of new idea, experimentation, and research and development activities (Lumpkin & Dess (1996). Proactiveness refers to processes aimed at anticipating and acting on future needs by seeking new opportunities, introducing new products and brands ahead of competition; and strategically eliminating operations that are in the mature or declining stages of the life cycle (Venkatraman, 1989). Competitive aggressiveness expresses a firm's propensity to directly and intensely challenge its competitors to achieve entry or improve position, that is, to outperform industry rivals in the marketplace (Lumpkin & Dess 1996). Lumpkin and Dess (1996) also argue that competitive aggressiveness also reflects a willingness to be unconventional rather than rely on traditional methods of competing. Autonomy indicates independent action undertaken by entrepreneurial leaders or teams directed at bringing about a new venture and seeing it to fruition. And risk taking involves taking courageous actions by venturing into the unfamiliar, borrowing heavily, and/or committing significant resources to ventures in uncertain environments.

Organizational Strategy and Organizational Effectiveness

Few studies exist on the relationship between strategy and organizational effectiveness and the emerging findings tilt toward positive outcomes. For instance, Kafashpoor et al. (2013) reported significant association between context variables that including strategy, leadership, organizational culture, organizational structure and organizational effectiveness, and the mediator role of knowledge management in the relationships. In a related study, Naserinajafabady et al. (2013) reported a positive impact of strategy on organizational effectiveness, and that knowledge management has a partial mediating role on the relationship. Anwar et al. (2016) reported that defenders performed above all other strategic types and industry averages for all three out of four financial performances measures assessed. Yanney (2014) reported that leadership and business strategy statistically and significantly impacted on organizational performance, but strategy had greater influence. Specifically, the researchers observed that of the three types of strategies (cost leadership, differentiation and focus strategies) examined only cost leadership had statistically significant relationship with organizational performance. Pulaj et al. (2015) found significant positive effects of cost leadership, differentiation and focus strategies on performance, and noted that adopting two or more strategies contributes more too organizational performance than adopting a single strategy. When distinctive resources and capabilities were considered, strategic choices based on innovation, product positioning, and chain relationship development positively predict organizational performance (Carraresi et al., 2010). Strategic choices and the management control system have positive impact on organizational performance (Junqueira et al., 2016). Organizational performance is associated positively with prospector strategy content and negatively with reactor

strategy content (Andrews et al., 2006). Obinozie, (2016) reported that while differentiation strategies were positively and significantly related to organizational performance, low-cost leadership strategy was positively, but not significantly related to organizational performance. In a measure of sales growth, profitability, market share, and customer satisfaction and new product development as indicators of organizational performance, prospectors perform better than defenders, analyzers, and reactors (Peljhan et al., 2018). Crotea & Bergeron (2001) commented that the commonest observation from studies that adopted Miles and Snow's model was that prospectors, analyzers and defenders usually contribute positively to organizational effectiveness, while reactors usually contributes negatively. Oyediji & Akewusola (2012) concluded that organizational strategy is important in explaining the comparative success or failure of small and medium enterprises. In line with the extant literature, it is hypothesized that:

> *"H1: Organizational strategy has significant positive predictive relationship with organizational effectiveness".*

Entrepreneurial Orientation and Organizational Effectiveness

Few studies on the relationship between entrepreneurial orientation and organizational effectiveness are available with findings principally tilted towards positive relationship. For instance, Uncapher (2013) observed that higher entrepreneurial orientation scores were strongly related to increased entrepreneurial activity. Otieno et al. (2012) observed that organizational performance measured in terms of sales, profits, and employment was significantly influence by entrepreneurial orientation. Rauch et al. (2017) meta-analysis revealed that the correlation between entrepreneurial orientation and organizational performance was moderately high, robust to different operationalization of key constructs, and cultural context. Shehu & Mahmood (2014) observed in small and medium enterprises that entrepreneurial orientation has a positive significant impact on the organizational performance, and that organizational culture had significant moderating effect on the relationship. However, in the banking sector Al-Swidi and Mahmood (2012) reported a significant positive impact of entrepreneurial orientation on organizational performance, and non-significant moderating effect of organizational culture on the relationship. Gautam (2016) reported that while autonomy and competitive aggressiveness dimensions of entrepreneurial orientation positively and significantly contribute to business performance, risk-taking, pro-activeness and innovativeness were not. Hussain et al. (2016) reported a mediating role of entrepreneurial orientation in the positive and significant impact of market orientation on organizational performance. Amin (2015) observed that the three dimensions (innovativeness, proactiveness, and risk taking) of entrepreneurial orientation contributed significantly to small and medium enterprises performance. Effendi et al. (2013) reported that entrepreneurship orientation did not have any influence on the small business performance. Lu & Zhang (2016) compare Chinese and South Korean SMEs on impact of entrepreneurial orientation on performance and reported that in the two countries while proactiveness and risk-taking dimensions of entrepreneurial orientation positively relate to performance, innovativeness dimension was not. On the bases of the above review It was hypothesized that:

> *"H2: Entrepreneurial orientation has significant positive predictive relationship with organizational effectiveness".*

METHODOLOGY

Sample

One hundred and ninety-four participants were sampled from twenty-two privately-owned organizations in Delta State, Nigeria The sampled organization include Educational institutions, Banking institutions, Transportation, Aluminum companies, Global system for mobile communication (GSM) and hotels. Denison & Frey (2000) noted that for comparative studies, the use of large number of sample organizations and a few respondents in each organization yields results with greater degree of external validity than otherwise. The respondent sample comprises 55% males and 45%. females; 63%married and 37% unmarried; 62% management staff and 38% non-management staff; 4% Senior School Certificate Exanimations, 12% Ordinary Level Diplomas/ National Certificate of Education, 59% Bachelor of Sciences and its equivalents, and 25% post graduate degree holders. Their age mean was 34.09 (SD., 7.08, age range, 30). Every sampled organization which had existed for a period not less than 5 (five) years had 50 and above employees in its work force. The above time frame met the prescription of Martz (2008) that it is most practical in assessing organizational effectiveness to consider a time frame of one to five years and that anything less than one year may not fully reflect the contribution of various strategies and initiatives that require some period of maturation to show effect. Every participant had served for a period of five years and above as it was assumed that a period of that length is enough for the employees to understand the prevailing situation in their organizations.

Measure

Organizational strategy

Organizational strategy measure was adopted from the work of Andrews et al. (2009) and that of Oyedijo & Akewusola (2016). The measures were based on Miles and Snow's (1978) four "*ideal types*" of organizational strategy. Andrews et al's measure was developed on three strategies that covered prospectors, defenders and reactors. To compliment Andrews et al's measure, the one item measure on analyzer strategy in Oyedijo & Akewusola's (2012) scale was adopted. The authors reported satisfactory psychometric properties on the measures.

Entrepreneurial orientation

Entrepreneurial orientation measure used was adopted from the work of Wang (2008). The scale has 11 items developed on four dimensions of entrepreneurial orientation. Three items were developed on market proactiveness, 2 items on competitive aggressiveness, 3 items on firm risk-taking and 4 items on firm innovativeness. The measure reflects the work of Miller (1983); Covin & Slevin (1989). The scale has received wide acceptance among researchers (Rua & França, 2018) with report of satisfactory psychometric reports.

Organizational effectiveness

Nwanzu & Uhiara's (2018) 40-item scale on organizational effectiveness was adopted. The scale was developed on four models of organizational effectiveness that covered goal attainment, systems resources, internal processes, and stakeholders. A sample statement on goal attainment model was "*desired level of output is always attained*". A sample statement on systems resources model was "*needed manpower is always acquired*". A sample statement on internal processes model was "*employees' attitude to work is encouraging*". And a sample statement on stakeholders' model was "*needs and expectations of the stakeholders are often met*".

For all the measures six-point Likert method of summated rating scale (6-strongly agree, 5-moderately agree, 4 agree 3-disagree, 2- moderately disagree, 1-strongly disagree) was adopted as it generates enough variability in response. Generating sufficient variance among respondents through scaling gives validity to statistical outputs. Wide scale points also control the effects of central tendency, i.e. the tendency of respondents to avoid extreme end of scales. All these improve the validity of the measures. Cronbach's alpha reliability coefficients observed on the measures were satisfactory as they were above 0.70. For all the scales, scores were computed by averaging each participant responses to the items.

Procedure

The questionnaires, with the assistance of some administrative staff of the sampled organizations were administered to the participants at their workplaces. Non-random sampling technique (convenience sampling) was adopted in selection of the organizations and distribution of the questionnaires. In all, 280 questionnaires were distributed, within an interval of 6 weeks, 210 completed questionnaires were received. However, after sorting out the questionnaires that were not appropriately completed, 194 were used for data analysis. The return rate is satisfactory as it exceeded survey response rate levels and trends in organizational research (Baruch & Holton, 2008). The return rate was also above Babbie's (1998) prescription of 50% return rate being adequate, 60% return rate being good, and 70% return rate being very good. The adopted participant sample size of 194 was adjudged satisfactory as it was in congruent with Dewberry (2004) recommendation that when the effect size expected is unknown, the sample size required for a medium effect size should be adopted. Therefore, the sample size adopted has above 80% power of detecting a significant association (at 0.05 level), if such an association exists at the level of medium effect size. Data for this study was collected at organizational level and this was achieved through the wording of the items as the refer to the organization (for example, *"the organization I work….."* and *"in the organization where I work…."*. Collection of data at organizational level in this study circumvents the methodological weakness of data collected at individual level, but aggregated to organizational level. For instance, aggregating individual level measure to form group or organizational characteristics raised issue of statistical power as well as the appropriateness of inference concerning relations among the aggregated variables (Klein et al., 1994). As the sampled organizations were represented by the sampled respondents, the grouping of the organizations into the various types of organizational strategy and entrepreneurial orientation were based on the strategy and entrepreneurial orientation dimension a respondent had the highest score. This approach identified every organization to a strategy and adequately handled the assumption of independence in response associated with parametric statistics which regression analysis technique is a member. The independence assumption

requires that observations between groups be independent, which essentially means the groups should be made up of different people. It is obvious that some studies (Oyedijo & Akewusola, 2012) on organizational strategy, entrepreneurial orientation and organizational effectiveness that adopted regression analysis as statistical tool were conducted in violation of this assumption. This is inferred from the procedure where the entire sample for such study is used to test for the relationship between each of the dimensions of organizational strategy, entrepreneurial orientation against organizational effectiveness. The violation of this assumption has negative implication for research findings and conclusion.

Design and Statistics

A cross sectional survey design was adopted as data were collected at one point in time. This design is appropriate as the two hypotheses tested were in generalized and sweeping forms (entrepreneurial orientation has significant positive predictive relationship with organizational effectiveness). This type of presentation seeks for results that have wide coverage. Therefore, the potentials for results generalization that is associated with survey makes it very suitable for this study. According to Holton & Burnelt (1997), survey enables one to use smaller groups of people to make inferences about larger groups that would be prohibitively expensive to study. However, convenience sampling technique was adopted in the distribution of the questionnaires as the organizations and participants were used on the basis of availability. The use of non-random sample is a common feature in organization studies, particularly in this research location as sampling frames are often not available or extremely difficult to access. The research hypotheses were tested with regression analysis. The statistical test was appropriate as the hypotheses tested for predictive relationship. Regression analysis is a parametric test so certain assumptions for its usage were observed. For instance, the requirement of interval scale was met with the adoption of 6-point Likert scaling format. Data from individual respondent were independent of each other. This means that the score of a participant did not affect the score of another participant in the data set. Data were analyzed with Statistical IBM SPSS Statistics version 26.

RESULTS

Descriptive statistics revealed moderate degree of organizational strategy, entrepreneurial orientation and organizational effectiveness in the sampled organizations. With a six-point Likert summated rating scale, $\bar{x}$ = 3.66 (SD, 0.71), $\bar{x}$ = 4.21 (SD., 32) and $\bar{x}$ = 4.13 (SD, 0.94) were obtained on organizational strategy, entrepreneurial orientation and organizational effectiveness respectively. Based on the type of strategy where the highest score was obtained 61, 30, 23, and 14 respondents identifies their organization strategy as defender, prospector, analyzer and reactor respectively. Statistics at the bottom of Table 1 shows simple regression analysis predicting organizational effectiveness from organizational strategy. As indicated by the *r* value of .49 the relationship between strategy and organizational effectiveness was modest, positive and significant. The analysis of variance (ANOVA) test, F (1, 82) = 27.24, $p< 0.05$, indicated that the regression was statistically significant; meaning organizational effectiveness can be predicted from organizational strategy (good model). The R^2 indicated that organizational strategy account for 25% variance in organizational effectiveness. On the basis of Cohen's (1988) criterion, r^2 of 0.25 indicates large effect size. The small difference between R^2 of 0.25 and adjusted R of 0.24 which is 0.01 indicates a good cross validity; that is this model has the potential to apply to other

samples from the same population. The *b*-value of 0.46 means that for every one unit increase in organizational strategy, organizational effectiveness increases by 0.46. Multiple regression analysis in Table 1 revealed that the various types of organizational strategy differ in their predictive relationship with organizational effectiveness. While prospectors and defenders' strategies significantly predict organizational effectiveness, analyzers and reactors strategies did not. Specifically, prospectors ($\beta = .26$, $p < .05$), analyzer ($\beta = -.01$, $p > .05$), defenders ($\beta = .37$, $p < .05$), and reactors ($\beta = .08$, $p > .05$). The result shows that the largest influence on organizational effectiveness was from prospectors, followed by defenders, reactors and analyzers. Part correlation revealed that prospectors explained 17%, analyzers 1%, defenders 25% and reactors 8% variance in organizational effectiveness.

TABLE 1
MULTIPLE REGRESSION ANALYSIS PREDICTING ORGANIZATIONAL EFFECTIVENESS FROM ORGANIZATIONAL STRATEGY

	Beta	T	Part Correlation	P	95% CI	
					Lower limit	Upper limit
Prospectors	0.26	1.98	0.17	0.05	-0.004	0.52
Analyzers	-0.006	-0.06	-0.01	0.95	-0.11	0.11
Defenders	0.37	2.86	0.25	0.01	0.1	0.55
Reactors	0.08	0.92	0.08	0.35	-0.06	0.18
Note: R = .49; R^2 = .25; Adjusted R^2 = .24, N = 84, F = 27.24, p < .001						

Statistics at the bottom of Table 2 shows simple regression analysis predicting organizational effectiveness from entrepreneurial orientation. As indicated by the R value of .29 the relationship between entrepreneurial orientation and organizational effectiveness was modest and positive. The analysis of variance test, F (4, 110) = 2.04, p > 0.05), indicated that the regression was not statistically significant. The R2 indicated that entrepreneurial orientation accounts for 7% variance in organizational effectiveness. On the basis of Cohen's (1988) criterion, r2 of .07 indicates small effect size. The small difference between R2 of .07 and adjusted R of .03 which is 0.04 indicates a good cross validity; that is this model has the potential to apply to other samples from the same population. The b-value of .26 means that for everyone unit increase in entrepreneurial orientation, organizational effectiveness increases by .26. Multiple regression analysis in Table 2 shows organizational effectiveness predicted from market proactiveness, competitive aggressiveness, risk-taking and innovativeness dimensions of entrepreneurial orientations. Among the four predictor variables only competitive aggressiveness significantly predicted organizational effectiveness. Specifically, market proactiveness ($\beta = .11$, $p > 0.05$); competitive aggressiveness ($\beta = .19$, $p < 0.05$); risk taking ($\beta = .08$, $p > 0.05$); and innovativeness ($\beta = -.03$, $p > 0.05$). Part correlation revealed that market proactiveness, competitive aggressiveness, risk taking, and innovativeness account for 11, 19, 8 and -3 percent variance in organizational effectiveness respectively. The result shows that the largest influence on organizational effectiveness was from prospectors, followed by defenders, analyzers and reactors.

TABLE 2
MULTIPLE REGRESSION ANALYSIS PREDICTING ORGANIZATIONAL PERFORMANCE FROM ENTREPRENEURIAL ORIENTATION

	β	T	Part correlation	P	95 % CI	
					Lower limit	Upper limit
Market Proactiveness	0.11	1.2	0.11	0.23	-0.08	0.33
Competitive Aggressiveness	0.19	2.02	0.19	0.04	0.002	0.25
Risk taking	0.08	0.87	0.08	0.38	-0.09	0.23
Innovativeness	-0.03	-0.38	-0.03	0.701	-0.24	0.16
Note: R = .26 R^2 = .07; Adjusted R^2= .03, N = 110, F = 2.04, p > .05						

DISCUSSION, CONCLUSION AND LIMITATION

This study examined role of organizational strategy and entrepreneurial orientation on organizational effectiveness. The hypothesis that organizational strategy has significant positive predictive relationship with organizational effectiveness was supported. The result was expected as it is consistent with the extant literature; strategy positively and significantly associates with organizational effectiveness (Kafashpoor et al., 2013; Naserinajafabady et al. 2013; Pulaj et al., 2015; Yanney, 2014). A plausible explanation for the result is that organizations adopt a mixture of strategy that would suit the environment in which they operate. Supplementary analysis revealed that among the four types of organizational strategy only two (prospectors and defenders) have significant positive predictive relationship with organizational effectiveness. Consistent with the above observation, Crotea & Bergeron (2001) had noted that the commonest observation from studies that adopted Miles and Snow's model is that prospector, analyzer and defender usually contribute to organizational effectiveness, while reactor negatively contribute to it. And Andrews et al. (2006) reported that while organizational performance associated positively with prospector strategy content, it negatively associated with reactor strategy content. A plausible explanation for the additional observation is that defender and prospector strategies are highly characterized by efficiency and innovativeness respectively, and these features are well documented to largely influence organizational effectiveness in positive direction.

The hypothesis that entrepreneurial orientation has significant positive predictive relationship with organizational effectiveness was not supported as the positive relationship was not statistically significant. Although this result was unexpected, but in some studies similar results were reported. For instance, Effendi et al. (2013) reported that entrepreneurship orientation had no influence on performance of small businesses. A plausible explanation for the observation of non-significant positive predictive relationship between entrepreneurial

orientation and organizational effectiveness is the adopted sample size in relation to the effect size observed. The effect size observed from test of the hypothesis was a "*small*" one, and a sample size of 110 that was used for the hypothesis was too small to detect significant predictive relationship even when it does exit. As Dewberry (2004) presented, a sample size of 640 is required to detect a significant prediction when it does exist for a study of five predictors and a small effect size. Further analysis revealed that only one of the five dimensions of entrepreneurial orientation has significant positive predictive relationship with organizational effectiveness. Similar observations exist in the extant literature. For instance, Gautam (2016) observed that while autonomy and competitive aggressiveness dimensions of entrepreneurial orientation positively and significantly contribute to business performance, risk-taking, pro-activeness and innovativeness were not. A plausible explanation for the largest contribution of competitive aggressiveness to organizational effectiveness among the dimensions is that the dimension has the greatest direct contact with the market.

THEORITICAL AND PRACTICAL IMPLICATIONS

The individual, organization and society survive on organizational effectiveness and this gives impetus to huge theoretical and practical concern specifically on the identification of its predictors for the appropriate manipulation and intervention. First, this study makes contribution in that direction as it examined the nature of influence organizational strategy and entrepreneurial orientation separately exert on organizational effectiveness. Second, two methodological weaknesses that border on measurement of organizational strategy and organizational effectiveness in the literature principally formed the problem statement of this study. Consequently, by addressing the issues the present study contributes in improving the quality of the literature, and also contribute in bring to the awareness of the future researchers a methodological weakness in the literature that demands appropriate attention. Third, in this study both composite and dimensional data were analyzed, and the resulting findings were reported. This two- in- one approached contributes to the debate (Deepa Babu & Manalel, 2016) on whether entrepreneurial orientation should be treated as a uni-dimensional or multi-dimensional variable. Fourth, for organizational practitioners the study has revealed that in a mixture of organizational strategy for enhanced organizational effectiveness, prospector and defender types should dominate, while for entrepreneurial orientation, competitive aggressiveness should dominate. In conclusion, organizational strategy and entrepreneurial orientation independently contribute positively to effectiveness of organizations. The various dimensions of organizational strategy and entrepreneurial orientation differ in their degree of contribution to organizational effectiveness. On the bases of obtained effect, while the impact of organizational strategy on organizational effectiveness was important, that of entrepreneurial orientation was not. Moderate scores on the types of organizational strategy and dimensions of entrepreneurial orientation indicate that the sampled organizations operate with certain degree of the variables.

LIMITATION

This study has some limitations which point to directions for further studies. The present study examined direct relationship organizational strategy and entrepreneurial orientation has with organizational effectives. Since it is possible for the relationships to be mediated and moderated by other variables, it is recommended that future study examined potential third variables in the relationships. Subjective self-report measure of organizational effectiveness was

adopted in this study, and it has attracted a number of criticisms when it is the sole source of date. Therefore, it is recommended that a combination of both objective and subjective methods be combined in future studies. Another limitation of this study, like most others on the issue is that it is correlational. Future studies should adopt quasi-experiment or experimental design to enable causal interpretation when and where applicable. The sampled size adopted was inadequate to detect significant predictive relationship for small effect size; therefore, it is recommended that future studies adopt larger sample size. In the extant literature "autonomy" has been identified and discussed as a dimension of entrepreneurial orientation and it was not included in this study; future studies should do so.

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