

## ENTREPRENEURIAL ORIENTATION OF ACCOMMODATION INDUSTRY: A SURVEY

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#### Abstract

This paper shortly introduces the development of the entrepreneurial orientation concepts. The empirical part consists in searching for and analysing academic articles using a meta-analysis that consider entrepreneurial orientation activities in the accommodation industry. The results show significant appraisal of the entrepreneurial activities among small or economy hotels that are taking place due to their potential values to the tourism industry. There are different collective set of entrepreneurial orientation dimensions that have been applied and are able to establish that entrepreneurial orientation is a critical factor in influencing the business performance. This paper proposes to further investigate the influence of staff in small or economy hotels upon the entrepreneurial activities undertaken by the owners-managers and its ultimate effect on business performance.

Keywords: Entrepreneurial Orientation, Accommodation Industry.

#### 1. INTRODUCTION

Entrepreneurship is the ability of businesses that incessantly innovate, reintroduce, and constructively bear market risks (Naman and Slevin, 1993). Entrepreneurship can churn into business ventures that generate value (Wood, Gadd, and Falkenburg, 2004). Many scholars have documented the importance of entrepreneurial activities within firms (Dess, Ireland, Zahra, Floyd, Janney, and Lane, 2003; Hult, Snow, and Kandemir, 2003). Otherwise, it is dependent on the entrepreneurial orientation of the owners-managers which becomes a critical firm process that contributes to business performance (Dimitratos and Plakoyiannaki, 2003; Hitt, Ireland, Camp, and Sexton, 2001; McDougall and Oviatt, 2000). Entrepreneurial orientation has been known in its involvement within new entries (Lumpkin and Dess, 1996). Entrepreneurial orientation also enables combining resources in fresh ways to develop and commercialise new products to serve or move into new target markets (Hitt et al., 2001). Henceforth it is interesting to see how the entrepreneurial orientation concept and its involvement in businesses have developed over the years, and its operationalisation specifically within the accommodation industry.

### 2. DEVELOPMENT OF THE ENTREPRENEURIAL ORIENTATION CONCEPT

Many empirical studies have embraced Miller's (1983) original primary concepts that consist of three elements of an organisation's entrepreneurial orientation – pro-activeness, risk-taking, and innovativeness (Becherer and Maurer, 1997; Covin and Slevin, 1989; Lumpkin and Dess, 1996; Miles, Covin, and Heeley, 2000; Schafer, 1990; Zahra and Covin, 1995). In retrospect, over the years, Miller's (1983) original primary entrepreneurial orientation concepts have been defined and redefined. Brockhaus (1980) has defined innovativeness as both the experience and the organisation's orientation towards human, technical, and financial risks. Lumpkin and Dess (1996) have defined innovativeness as being able to handle new ideas, and encourages experimentation and creativity at all levels of an organisation.

Several authors have studied the features portrayed by a firm that is deemed pro-active. The creator himself, Miller (1983) suggests pro-activeness is about holding accountability on idea execution through new products and services development. Coyne and Subramanian (1996) explained pro-active firms should be able to better manage their business risks, while dynamically form their market position. Lumpkin and Dess (1996) cited that pro-active firms are more inclined to being innovative.

Harms (2004) described pro-active firms usually adopts a long-term orientation and are capable in identifying opportunities through market risks and threat assessment. In Miller's (1983) study, risk-taking is referred as organisations that are inclined to undertake bold actions like new market ventures, taking a big loan and pledging



a big amount of resources in projects despite the uncertainty. Lumpkin and Dess (1996, 2001) described risk-taking as a company's willingness to undertake strong actions such as committing resources despite unpredictable results or venturing into novel markets. This requires breaking off from the routine and mature existing businesses.

At the organisational level, entrepreneurship can be related to both existing and new business ventures. There have been studies suggesting that entrepreneurial orientation is largely an organisation's competitive orientation, and rather the constitution of competitive alternatives inside their specific industry trade (Dess and Davis, 1984; Venkatraman, 1989b). Since then, several prominent authors have contributed to the development of the entrepreneurial orientation concept. Covin and Slevin (1988) described entrepreneurship being an organisation's feature, concerned with the management's conduct in entrepreneurial activities. Naman and Slevin (1993) have portrayed entrepreneurship as being symbolic of the management's operating values, beliefs, attitudes, and strategic actions.

In between, Covin and Slevin (1989) did an expansion of the entrepreneurial orientation concept. The two scholars positioned entrepreneurial orientation along a scale band from conservative to entrepreneurial. Entrepreneurial organisations are more innovative, pro-active, and are risk-takers. Fascinatingly, these characteristics are coherent with Miles and Snow's (1978) and Mintzberg's (1973) study conclusions. Entrepreneurial organisations is classified by Mintzberg (1973) as adaptive organisations (Covin and Slevin, 1989), while conservative firms that are non-innovative, risk-averse and reactive, comes near to the description of Miles and Snow's (1978) defender organisations.

It has also been observed the primary focus of entrepreneurship is on personality psychology in early 1980s. Later, more emphasis has been placed in linking strategy-making process literature and then modelling entrepreneurship (Covin and Slevin, 1991; Lumpkin and Dess, 1996). It was not only later during the 1993 till 1998 that the entrepreneurship studies have shifted more focus towards the resource-based view of a firm. This has led to the fusion of both the strategic management and entrepreneurship research, later known as strategic entrepreneurship (Ireland, Hitt, and Sirmon, 2003). Since then, entrepreneurship is looked upon as a method that combines product, process, and market innovations to achieve a firm's sustainable competitive advantage (Ireland et al., 2003). This requires the mutual demand of behavioural and attitudinal aspects, and integrating them into the firm's procedures amidst the uncontrollable market conditions. A renewed definition of the entrepreneurship construct that covers both the individual and at firm level becomes appealing, to the likes of prior authors who are much agreeable with this idea (example, Miller, 1983; Stevenson and Jarillo, 1990). Soon after, the modern authors widen to encompass entrepreneurship research at organisation level, as well as in the sociology and economic field (Gregoire, Noel, Dery, and Bechard, 2006).

Today, entrepreneurship is more possibly looked as a process that influences a firm's culture to generate value that exploits opportunities (Stevenson, Roberts, and Grousbeck, 1989) through a unique package of resources (Hult, et al., 2003). This process itself will be about recognising opportunities, designing a business concept, conducting resource management, and harvesting the venture (Morris, Schindehutte, and LaForge, 2001). The entrepreneurial orientation concept has been evolving for the past four decades or so. It is timely to see how scholars in the more recent times adopt entrepreneurial orientation.

# 3. OPERATIONALISATION OF ENTREPRENEURIAL ORIENTATION WITHIN THE ACCOMMDATION INDUSTRY

Table 1 lists the past empirical studies on entrepreneurial orientation in the accommodation industry from Year 1997 till present times, which will be the focus of this paper.



Table 1: Entrepreneurial orientation studies in the accommodation industry from Year 1997 till present

Labi	C 1. 12	11111	preneuriai orie	ntation studies ir	i tiit at	Commodanc	m muu	istry monit	cai 1771	im present
No	Author(s)	Year	Dimensions/ Characteristics/ Items	Measurement Scale	Uni / Multi-dimensional	Performance Indicator	Country of Origin	Size of Firms	Industry of Firms	Sample Size
1	Glancey and Pettigrew	1997	Personal objectives – provides a livelihood, maintains quality of life or lifestyle; Business objectives – Forge a profitable enterprise, growth, Develops reputation for quality of service	Not Available (Subjective and Descriptive; Unit and Firm-level analysis)	Not Available	Financial Performance	Scottish, town, St Andrews	Small		40-6 interviews (all 6 pres.), 34 postal survey (20 resp.) Respondents: Entrepreneurs
2	Jogaratnam,and Tse	2004	Innovative, proactive, risk- taking	5-point-Likert scale (Covin and Slevin, 1988; Miller, 1983; Naman and Slevin, 1993). (Subjective and Descriptive; Firm-level analysis)	Unidimensional	Performance	Mainland China, Hong Kong, Malaysia, and Singapore	Major international and regional brands	3 to 5 star hotels	164 Respondents : General Manager or designees (Resident Manager, Director/Con troller/ Functional Manager)
3	Jogaratnam, and Tse	2006	Innovative, proactive, risk- taking	7-point-Likert scale, 9 item (Covin and Slevin, 1988; Miller, 1983; Naman and Slevin, 1993) (Subjective and Descriptive; Firm-level analysis)	Uni-dimensional	Performance (Subjective/ Descriptive; Firm-level analysis)		Major internatio -nal and regional brands	3 to 5 star hotels	Sample 581, 187 resp. Respondents : General Manager or designees (Resident Manager, Director/Con troller/ Functional Manager)
4	Li, Ching, and Bao	2006, Nov-Dec	Innovative, risk taking, and proactive	9 item (Covin and Slevin, 1986) (Subjective and Descriptive; Firm-level analysis)	av	Entrepreneuri al Business Orientation	Shanghai and Guangzhou, China	Economy	Hotels	116 resp. Respondents : General Managers

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5555	van ZylandMathur-Helm	00.	Proactivness, Innovativeness, and risk-taking	No mention of the items and scaling but indicate use (Covin and Slevin, 1989) measures (Descriptive and theoretical; Firmlevel analysis)	Multi- dimensional	Small and tourism venture performance (Descriptive/ theoretical; Firm-level analysis)	South Africa	Small	Tourism Businesses (less than 50emplo- yees)	Not available Respondents :Owners- managers
6	Balan and Lindsay	2010	One-dimension factor of 'innovative risk taking'	Bipolar, 11-point Likert-scale (Lumpkin and Dess, 2001; Lumpkin, Cogniser, and Dess, 2009; Miller and Friesen, 1982) (Subjective and Descriptive; Firm-level analysis)	Uni- dimensional	Business Performance	Australia	Indepen -dent Businesses or Small group of hotels and small 'bottle shops	'General Hotels' and pubs	Sample, 424 hotels in South Australia, 167 resp. Respondents :Owners- managers
7	Mastura, Siti Aishah, and Siti Zaleha	2010	Entrepreneurial Characteristics (1) Self-confident, (2) Independent (3) ability to learn from failure (4) need to achieve as motivation (5) risk-taking propensity and finally (6) innovativeness have help in the industry's survival.	scale (Brockhaus, 1980; Chen, Zhu, and Anquan, 2005; David, Dent, and yshkovsky, 1996; Elias and Pihie, 1995; Jaafar, amayah, and Mohamed, 2004; Mamat and Raya, 1990; McClelland, 1961; Mullins and Forlani, 1998; Shepherd, Covin, and Kuratko, 2008; Schumpeter, 1934; Timmons, 1978) (Subjective and Descriptive; Unit- level analysis)	Not available	Business Growth Orientation	East Peninsula, Malaysia	Small and Medium	Hotel	Sample 145, 137 resp. Respondents :Owners- managers
8	Peters et al.	2010	Risk-taking, Innovation- readiness, Proactive behaviour	5-point- Likert scale Covin and Slevin (1991); Lumpkin and Dess (1996) (Subjective and Descriptive; Firm-level analysis)	Multi-dimensional	Entrepre- neurial/ Growth Orientation	Austria	Small	Four-to- five tourism business	Population 184, 60 resp. Respondents : Owners- Managers

9	Tajeddini	2010	Innovation, pro- activeness, attitude towards strategic planning processes	9 items, 5-point scale (Smart and Conant, 1994; Covin and Slevin, 1988, 1989, Naman and Slevin, 1993)	Uni- dimensional	Business Performance	Switzer-land	5 categories: > 30, 30- 60, 61-90, 91-120, >120	1 to 5 star hotel rating of German and French speaking cantons	Sample 189, 156 resp. Respondents : Managers and rank- and-file staff
10	Boonchoo, Tsang, and Wadeson	2011	Risk taking, innovativeness, and pro- activeness	9-point-Likert scale, 9 items (Covin and Slevin, 1988, 1989, 1990; Lee, Lee, and Pennings, 2001; Lyon, Lumpkin, and Dess, 2000; Zahra, Jennings, and Kuratko, 1999). (Subjective and Descriptive; Firm-level analysis)	Multi-dimensional	Growth/Firm Performance	Thailand	SMEs and large	Hotels	3000 mail questionnair es, 369 resp. Respondents : General and Marketing Managers
11	Galetic and Moric Milovanovic	2012	Autonomy, innovate- veness, risk taking, pro- activeness, and competitive aggressiveness	5-point Likert scale, 9-item, (Knight, 1997) (Subjective and Descriptive; Firm-level analysis)	Not available	Business Performance	Croatia	Small (6 to 49 staff), Large (above 50 staff)	14 Hotels are 2star hotels, 9 are 3star- hotels and 3 are 5-star hotels)	Sample 150, 14 resp. Respondents : Managers or their designees
12	Mastura	2012	Entrepre -neurial Characteristics (1) Self confidence, (2) Independence (3) ability to learn from failure (4) need to achieve as motivation (5) risk-taking propensity and finally (6) innovativeness have help in the industry's survival	Adopt the non parametric test. Conduct significant testing, mean calculation (Subjective and Descriptive; Firm-level analysis)	Not available	Not available	East Peninsula, Malaysia	Small and Medium	64 urban hotels, 52 island chalets	Sample 116, 50 urban and 38 island chalets resp. Respondents : Owners- Managers

13	Pradthana and Kaedsiri	2013, March	Pro-activeness, risk-taking	6 items, 5 point- Likert scale (Hurley and Hult, 1998) (Firm-level analysis)	Not available	Organisatio- nal Innovative- ness	Southern Thailand	51.9% hotels < 51 employees, 43.9% hotels with 31- 100 rooms	Hotel business (66.0% three stars and above)	Sample 546, 225 resp. Respondent: No details given
14	Mohammad, Wael, Fayiz, and Mah'd Hussein	2014, March 8	(1) a strong emphasis on R and D, technological leadership and innovation (2) a strong tendency for high-risk NSD projects which have a chance of very high returns (3) a tendency to initiate action that competitors respond to (4) a tendency to be a leader, always introducing new service or technology (5) a tendency to adopt a competitive "undo-the-competitors" posture	5 items,5 point Likert scale (Li, Liu, and Zhao, 2006) (Subjective and Descriptive; Firm-level analysis)	Uni- dimensional	Innovation Performance	human, capital of Jordan	5 star	Thirteen hotels	Sample 150, 141 resp. Respondents: Managers or head of sections
15	Vichada	2014	Autonomy, Learning, Achievement, Innovativeness, Risk-taking, Competitive Aggressiveness, Pro-activeness	5-point Likert scale (Krauss, Frese, Friedrich, and Unger, 2005) (Subjective and Descriptive; Unit and Firm-level analysis)	Not available	Business Performance	Khao San Road, Bangkok	Not Available	Hostels	Sample 400, 352 hostel customers; 61 hostel owners/man agers

It has been gathered thirteen studies in Table 1 have focused their research work in the small or economy hotels within the accommodation industry. There seems to be a significant appraisal of small or economy hotels taking place due to their potential values to the tourism industry. The values include generating a large number of jobs and are potential export revenue earners (Syed, Fauzia, and Mehmood, 2014).

The scholars have used several entrepreneurial orientation dimensions, characteristics, and/or items. The most popular three dimensions are mainly innovativeness, risk-taking, and pro-activeness (Boonchoo, Tsang, and Wadeson, 2011; Jogaratnam and Tse, 2004, 2006; Li et al., 2006; Peters et al., 2010). However, different combinations of entrepreneurial orientation dimensions have surfaced over time. Peters et al.'s (2010) study has added on the staff responsibilities dimension (Morris, Kuratko, and Covin, 2008) on top of pro-activeness, risk-taking, and innovativenesss from the Covin and Slevin's (1989) model. Additional dimensions such as autonomy,

learning, achievement, and competitive aggressiveness (Krauss et al., 2005) have been applied under the study by Vichada (2014).

Other modifications have been also found in the insertion of which entrepreneurial orientation dimensions to be included in the following studies. Tajeddini (2010) uses the two dimensions - innovation and pro-activeness, and did a slight modification by adding strategic attitude towards strategic planning processes as another dimension (Smart and Conant, 1994; Covin and Slevin, 1988, 1989; Naman and Slevin, 1993). This is during the scholar's study about the relationship of entrepreneurial orientation and business performance in the Swiss hospitality industry. There is also another study that suggests the use of two entrepreneurial orientation dimensions - pro-activeness and risk taking (Hurley and Hult, 1998) out of five entrepreneurial orientation dimensions (Lumpkin and Dess, 1996, 2001) in Pradthana and Kaedsiri's (2013, March) study among Southern Thailand hotels. The other study by Balan and Lindsay (2010) only use innovative risk taking dimension when studying independent hotels or small group of hotels in South Australia.

It seems despite Lumpkin and Dess (1996) conceptualising entrepreneurial orientation to include the five dimensions - autonomy, competitive aggressiveness, innovativeness, pro-activeness, and risk taking, not all researchers practised all these dimensions universally. Modifications are still performed to better suit the research objectives for the different studies (Covin and Slevin, 1991; Krieser, Marino, and Weaver, 2002; Marino, Strandholm, Steensma, and Weaver, 2002; Zahra, 1991).

In regards to entrepreneurial orientation's role, entrepreneurial orientation mainly assumes the independent variable role. However, entrepreneurial orientation occasionally assumes the dependent variable role. Example, in Li, Ching, and Bao's (2004) study, the entrepreneurial business orientation is the dependent variable. Otherwise, entrepreneurial orientation assumes the role as the moderating variable and is seen in a more recent study about five-star Jordanian hotels by Mohammad, Wael, Fayiz, and Mah'd Hussein (2014, March 8).

Pertaining to the research methodology, thirteen studies in Table 1 have adopted the quantitative approach. There is only one study by Mastura (2012) that has used mixed-methods. This particular publication focuses on studying about the entrepreneurial characteristics in the accommodation businesses of East Peninsula Malaysia. Firstly, the quantitative approach is performed through administering face-to-face survey questionnaire with fifty urban small and medium hotel operators and thirty-eight island chalet operators. Mastura (2012) later conducts twelve indepth face-to-face interviews - six with small and medium urban hotel operators and another six are with small and medium island chalet operators. The heavy dependence on quantitative research demonstrates the entrepreneurial orientation construct is still explorative in nature. The assessment of the relationship of entrepreneurial orientation on business performance in small or economy hotels is still in the midst of establishment, and probably lacking also in applying to a large sample size.

When referring to the entrepreneurial orientation measurements, the research community in the accommodation industry seems divided. There are five authors in Table 1 who have used the five-point Likert scale (Mastura, Siti Aishah, and Siti Zaleha, 2010; Peters et. al, 2010; Galetic and Moric Milovanovic, 2012; Mohammad, Wael, Fayiz, and Mah'd Hussein, 2014, March 8; Vichada, 2014). There is one other study that has adopted the two-step cluster analysis when establishing the relationship between entrepreneurial orientation and the three dimensions risk taking, innovativeness, and pro-activeness with growth/firm performance. This study by Boonchoo, Tsang, and Wadeson (2011) has yielded nine meaningful clusters based on the hotel size, age, the manager's gender, experience, and educational level. The authors have used the nine-point Likert scale that other authors for example, Becherer and Maurer (1997); Kropp, Lindsay, and Shoham (2006) have also been using in the prior entrepreneurial orientation-performance studies which registered a high coefficient alpha. Another study by Balan and Lindsay (2010) has used the bipolar eleven-point Likert scale, in which the independent hotels or small group of hotel chain owners-managers in South Australia need to give one answer. 0 means strongly disagree together with the left descriptor till 10 means strongly agree together with the right descriptor. Balan and Lindsay (2010) cited that this form of entrepreneurial orientation measures has been used in several studies and previous

literature in this field (example, Lumpkin and Dess, 2001; Lumpkin, Cogliser, and Schneider, 2009; Miller and Friesen, 1982).

On another note, the study paradigm undertaken in studying entrepreneurial orientation in the hotel industry in the accommodation industry across several countries varies. Glancey and Pettigrew (1997) stresses on both personal (unit) and business (firm) unit analysis when discussing the entrepreneurial orientation dimensions for small Scottish hotels in St Andrews. Twelve out of fifteen studies in Table 1 have been focusing on firm level analysis when studying the entrepreneurial orientation variables. There is one particular study by Mastura, Siti Aishah, and Siti Zaleha (2010) that perform a unit-level analysis on the entrepreneurial characteristics of owners-managers of the small and medium hotels in East Peninsula Malaysia. Following up in a study two years later, Mastura (2012) has undertaken the same approach when studying the entrepreneurial characteristics in the same locations. However, a firm-level analysis has been applied to study on the marketing practices and tourism products to suit different tourist demographic profile in the two types of accommodation businesses. It seems that the popular approach is to conduct a firm-level analysis since the small or economy hotels are mostly run by owners-managers ownselves (Mullins and Forlani, 1998).

Another observation in Table 1 is that there is no agreement among authors on whether entrepreneurial orientation dimensions are unidimensional or multidimensional in the hotel industry. Four studies are unidimensional (Balan and Lindsay, 2010; Jogaratnam and Tse, 2004; Tajeddini, 2010; Mohammad, Wael, Fayiz, and Mah'd Hussein, 2014, March 8) and another three studies are multidimensional (Boonchoo, Tsang, and Wadeson, 2011; Peters et. al, 2010; van Zyl, and Mathur-Helm, 2007).

Ruling out Pradthana and Kaedsiri's (2013, March) study as the hotel business respondent details are unavailable, the studies in Table 1 have been using subjective and descriptive measures, and majority are based on owners-managers' perspective. There is an exception for van Zyl and Mathur-Helm's (2007) study that remains a theoretical and a descriptive study.

The studies in Table 1 have collected data using several methods. Prior contact is usually made with the respondents to seek permission to collect data. One popular approach is collecting data through personal interviews (Glancey and Pettigrew, 1997, Mastura, 2012). Another way is self-administered in which a personalised cover letter with the survey questionnaire are sent over to the respondent (Balan and Lindsay, 2010; Li et al., 2006; Mastura, 2012; Mastura, Siti Aishah, and Siti Zaleha, 2010; Mohammad, Wael, Fayiz, and Mah'd Hussein, 2014, March 8; Pradthana and Kaedsiri, 2013, March; Vichada, 2014). Otherwise, it could need two or more visits to the workplaces. The first visit will be required to leave the questionnaire for the owners-managers to complete and later in the second visit to collect the completed survey questionnaire (Tajeddini, 2010). There are four studies that have choosen the mail survey method. Jogaratnam and Tse (2004, 2006) gained an overall response of 32.18 percent and 32.78 percent respectively, while Boonchoo, Tsang, and Wadeson's (2011) study registered a 13.29 percent response rate. Galetic and Moric Milovanovic (2012) study registered a 9.33 percent response rate. At times, a second wave of data collection is required. Example, a follow-up phone call (Balan and Lindsay, 2010) or a reminder mail (Jogaratnam, and Tse, 2004, 2006) to the respondents is performed to increase the response rate. Occasionally, the promise to offer the report of the results is also extended. Confidentiality and anonymity are also ensured to encourage respondents to participate (Tajeddini, 2010).

## 4. CONCLUSION AND RECOMMENDATION

To conclude, the study about entrepreneurial orientation dimensions in Table 1 covers the sampling frame of primarily, the small or economy hotels. There are different collective set of entrepreneurial orientation dimensions that have been applied and are able to establish that entrepreneurial orientation is a critical factor in influencing the business performance. However, it is found that in contrast to the conventional thought of the five universally adopted entrepreneurial orientation dimensions by Lumpkin and Dess (2001), modifications are set to suit the research context in the accommodation industry. Since the small and economy hotels are run by the prime decision makers who are the owners-managers (Mullins and Forlani, 1998), it makes sense to study at firm-level

analysis and from their perspective. In future, scholars should undertake the form of subjective and descriptive studies in which majority of the prior studies have also utilised the same approach to capture the EO activities undertaken within these businesses.

The research in this area reveals the research methodology that is often used is the quantitative method. This is because the phenomenon has matured over the past decades, and in such phenomena, the aim is to examine the relationships of entrepreneurial orientation and/or other independent variables on dependent variables (Creswell, 2014) such as business performance. Perhaps for this reason, the use of quantitative methods is rampant and the data analysing has been performed across a varied combination of entrepreneurial orientation dimensions. Often mentioned, large organisations differ from small firms, however it seems like the Likert scale questions can also be translated for use in the small or economy accommodation business context. Hence, this could be one of the criteria that can be applied for organising entrepreneurial orientation measurables for further studies.

It has also been noticed in the earlier entrepreneurial orientation discussions within the accommodation industry that the activities are mostly systematically planned. It is an implemented process of the business mainly championed by the owners-managers who are the primary stakeholders of these businesses (Hill, 2001; Mullins and Forlani, 1998). Otherwise it means these entrepreneurs run these accommodation businesses like they are owners-managers (Goyal, 2015). However, recently, there seems to be of some interest in the novel outreach towards understanding how staff can contribute to spur the firm-level entrepreneurial orientation activities championed by the owners-managers. From the perspective of small or economy hotels, the importance of various stakeholders is not a new phenomenon; for it is a widely studied area because it is observed that each role played by different stakeholders do affect the business performance (Hill, 2001). In this paper, the researcher is suggesting the potential that entrepreneurial activities may develop and its dependency of who is their staff and if they are able to carry out their daily work responsibly without much supervision by the owners-managers. Prior studies such as Peters et al.'s (2010) study has established these situations will enable entrepreneurial activities to happen and help to positively influence the business performance for small or economy hotels. Henceforth, future studies in the same field should consider furthering their investigation about the staff role and their influence on entrepreneurial activities and establish its effect on the overall business performance.

In summary, this present study has highlighted research gaps in entrepreneurial studies, and hopefully inspires scholars in small and medium entrepreneurial field to investigate the following matters. For example, how is the influence of staff in small or economy hotels related to the degree of entrepreneurial activities undertaken by owners-managers, and ultimately its effect upon business performance. Or else does is primarily rely on the SME owners-managers' perception to initiate the firm's entrepreneurial orientation activities.

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