

**Interface Between Strategic Orientations, Organizational
Learning and Growth Small, Medium-Sized Enterprises
(SMES) in Syria**

Hala Hussein Wajeih Zidan

Submitted to the
Institute of Graduate Studies and Research
in Partial fulfillment of the requirement for the Degree of

Master of Science
in
Tourism Management

Eastern Mediterranean University
June 2013
Gazimağusa, North Cyprus

Approval of the Institute of Graduate Studies and Research

Prof. Dr. Elvan Yılmaz
Director

I certify that this thesis satisfies the requirements as a thesis for the degree of Master of Science in Tourism Management.

Prof. Dr. Mehmet Altınay
Dean, Faculty of Tourism

We certify that we have read this thesis and that in our opinion it is fully adequate in scope and quality as a thesis for the degree of Master of Science in Tourism Management.

Prof. Dr. Hüseyin Araslı
Supervisor

Examining Committee

1. Prof. Dr. Mehmet Altınay

2. Prof. Dr. Hüseyin Araslı

3. Assoc. Prof. Dr. Habib Alipour

ABSTRACT

Despite the high number of studies that investigate effects of the market and entrepreneurial orientation on business performance, still, there is a lack of investigating effects of the technology orientations, organizational learning and market conditions on the growth of Small, Medium-Sized Enterprises (SMEs).

This study is built on a research that investigates the interface between entrepreneurial orientation and SME growth in the Syrian market. It discusses the effect of strategic orientation (market, entrepreneurial and technology) on organizational learning and growth of the SMEs in Syria. Also, it discusses whether the influences of the three strategic orientations on the SME growth would be varying due to the change of market conditions.

Data of this study is collected from SMEs operating in hospitality industry in the Syrian market by distributing a questionnaire in hand; the questionnaire has many questions varying 1 to 7, where 1 corresponds to strongly disagree and 7 to strongly agree, respectively. The research model of this study is tested via Structural Equation Modeling. This study provides recommendations to the SME owners on how to gain a competitive edge and sustain it through enhancing their learning capacity and strategic orientations under different market conditions. The study also offers insights for those who formulate, deliver and evaluate small, medium business policy by identifying the support needs of entrepreneurs in those areas which have

not yet been adequately covered by existing national measures such as training for the development of certain skills and education of the entrepreneurs.

Keywords: Small, Medium-Sized Enterprises, Strategic Orientation, Organizational Performance, Structural Equation Modeling, Syrian Markets

ÖZ

İş performansı ile alakalı pazar ve girişimcilik yöneliminin etkilerini araştırmaya yönelik çok sayıda çalışma olmasına rağmen, Küçük Orta ölçekli işletmeler’de (KOBİ) teknoloji yönelimleri, örgütsel öğrenme ve piyasa şartlarının etkilerine dair hala araştırma eksiklikleri bulunmaktadır.

Bu çalışma, Suriye pazarında girişimcilik eğilimi ve KOBİ arasındaki büyümeyi inceleyen bir araştırma üzerine inşa edilmiştir. Yine bu çalışma ile Suriye'deki KOBİ'lerin büyümesi ve örgütsel öğrenme üzerine stratejik yönelimin etkisi (piyasa, girişimci ve teknoloji) irdelenmektedir. Ayrıca, KOBİ büyüme üzerindeki piyasa koşullarının değişikliği nedeni ile üç stratejik yönelimin etkilerinin olup olmayacağıda bu çalışma ile incelenmektedir.

Bu çalışmanın verileri elden anketlerin dağıtılması ile Suriye pazarında faaliyet gösteren KOBİ işletmelerinden sağlanmıştır; Ankette sırasıyla 1’den 7’ye kadar değişen sorular bulunmaktadır, 1 “kesinlikle katılmıyorum”, 7 ise “kesinlikle katılıyorum” ibarelerine karşılık gelmektedir. Bu çalışmanın araştırma modeli “Yapısal Eşitlik Modeli” ile test edilmektedir. Yine bu çalışma farklı piyasa şartları altında KOBİ sahiplerine rekabet avantajının ve bu avantajı öğrenme kapasitesinin stratejik yönelimlerine odaklı devam ettirilmesi ile nasıl kazanılacağı yönünde önerilerde bulunmaktadır. Çalışmada ayrıca, girişimcilerin eğitimi ve belli becerilerin gelişimi için alıştırmaya gibi mevcut ulusal tedbirler kapsamında

giriřimcilerin destek ihtiyalarının belirlenerek KOBİ'lere gerekli görüřleri řekillendirmesine ve deęerlendirmesine olanak saęlamaktadı.

Anahtar Kelimeler: Küçük ve Orta Boy İşletmeler, Stratejik Oryantasyon, Kurumsal Performans, Yapısal Eşitlik Modeli, Suriye Piyasası

To My Family...

ACKNOWLEDGMENT

My sincere gratitude to my supervisor Prof. Dr. Huseyin Arasli for the continuous support, great guidance, endless help, knowledge and huge confidence he gave me.

Many thanks to my department and fellow associates for their help and support during my course of study.

My warm regards to my husband for his presence, as it enhanced my motivation.

Finally, words will not be enough to thank all members my family for their infinite help and patience.

TABLE OF CONTENTS

ABSTRACT	iii
ÖZ.....	v
DEDICATION	vii
ACKNOWLEDGMENTS.....	viii
LIST OF TABLES	xii
LIST OF FIGURES.....	xiii
1 INTRODUCTION.....	1
2 HISTORY OF SYRIA	3
2.1 Introduction Of Syria	3
2.2 Historical Background of Syria.....	3
2.3 Climate	4
2.4 Culture	4
2.5 Industry.....	4
2.5.1 Artistic Metalwork	4
2.5.2 Textile	5
2.6 Tourism	5
2.6.1 Potential for Profit	7
2.6.2 Bedroom Boom	8
2.6.3 Restaurants	10
2.6.4 Touristic Places	11
2.7 Transportation	12

2.8 Small And Mid-Size Enterprises	12
3 LITERATURE REVIEWS	13
3.1 Strategic Orientation	13
3.1.1 Market Orientation	13
3.1.1.1 Development of Market Orientation Concept	18
3.1.2 Entrepreneurial Orientation.....	21
3.1.3 Technology Orientation.....	25
3.1.3.1 Technology Characteristics	30
3.1.3.2 Technology Orientation and Business Performance	32
3.1.3.3 Use of Technology in the Lodging Industry	34
3.1.4 Organizational Learning.....	35
3.1.4.1 Defining Organizational Learning	35
3.1.5 Market Conditions (MCs)	41
3.1.5.1 The Dramatically Changing Consumer	42
3.1.5.2 Stagnations of Traditional Markets and Growth in Specialist Niche Market	45
3.1.5.3 Evolution in the Marketing Chain.....	46
4 RESEARCH HYPOTHESES	47
5 METHODOLOGIES AND ANALYSIS	56
5.1 Methodology	56
5.1.1 Deductive Approach.....	56
5.1.2 Sample Study.....	56
5.1.3 Measures	59
5.1.4 Psychometric Properties	60

5.2 Questionnaires and Measures	60
5.3 Regression Analysis	61
5.4 Descriptive Analysis and Results	62
5.4.1 Sample Profile	62
5.4.2 Factor Analysis	63
5.4.3 Regression Results.....	65
5.4.4 Assumptions	66
6 DISCUSSION	70
6.1 Discussion	70
6.2 Managerial Implications	73
6.3 Limitations and Implications for Further Research.....	74
7 CONCLUSION	76
REFERENCES	78
APPENDIX	100
Appendix A: The SME Growth Survey	101

LIST OF TABLES

Table 5.1: Samples of the Study Classified as Their Type And Date Of Establishment.....	57
Table 5.2: Samples of the Study Classified As Their Type and Age.....	57
Table 5.3: Samples of the Study Classified As Their Frequency.....	58
Table 5.4: Demographic Breakdown of the Sample (N = 251)	61
Table 5.5: Scale Items and Factors Analysis.....	62
Table 5.6: Results of Multiple Regression Analysis	66
Table 5.7: Multicollinearity Statistics	67

LIST OF FIGURES

Figure 4.1: Suggested Conceptual Framework	46
Figure 5.1: Revised Conceptual Model.....	68

Chapter 1

INTRODUCTION

Recently, many researchers have been focusing on studying market orientation and organizational learning as a predictor of an organization performance measure (Hult & Ketchen, 2001). Both of these measures can be used as resources that the firms could use to achieve competitive advantages (Hunt & Morgan, 1996).

Organizational learning, market orientation and organizational performance can be related by exploring the resources of organization. Market orientation (Hult & Ketchen, 2001) and organizational learning (Grant, 1996) are some performance measures that make the firms to have better positions. Market orientation means the behavior that the firm directs to understand and determine the needs and requirements of the customer and adapts the selling response of the firm or organization to fulfill those needs and requirements better than the competitors (Hult & Ketchen, 2001). Organizational learning is a tool used by the organization or the firm to change the personal knowledge of the workers in the organization into social one (Grant, 1996).

This study will be built on the investigators' earlier research, and the research that will be done by us on the Syrian hospitality SMEs; on the interface between entrepreneurial orientation and firm growth. It aims to establish the extent to which different strategic orientations namely; market, entrepreneurial, technology

orientations and market forces influence organizational learning and growth of the SMEs. The purpose of this study is to identify how market, entrepreneurial and technology orientations influence the growth of SMEs, examine the role of organizational learning and market conditions on the growth of SMEs, and develop recommendations to entrepreneurs, community networks, business advisers, and government policy-makers the facilitation of SME growth and the role of organizational learning enabling SMEs' market, entrepreneurial and technology orientations.

Chapter 2

HISTORY OF SYRIA

2.1 Introduction

This chapter displays the historical background of Syria, in addition to the geography and Socio-Economic of Syria. Followed by a discussion on tourism in the world, and importance of tourism for Syria, as well as the capital city of Syria, Damascus is discussed.

2.2 Historical Background of Syria

Syria is a country that is politically and religiously unstable of the Earth. Syria is related to the Elban Civilization which is located in the Middle East (Made in Syria, 2011).

Syria was dominated by Persians; in the following years Christianity started to spread in addition to Romans' occupations of the known world. Syria was occupied and named a Roman Province in 64 A.D by Pompey. Adding to this, large area of Syria was controlled by Syria (Made in Syria, 2011).

Due to civil disturbances the Roman Empire was divided into two parts, the eastern part of the empire which was known as Byzantine Empire, managed Syrian Province (Made in Syria, 2011). While Paul of Tarsus built his church in Antioch he created the word of Christianity.

The Islamic Empire started spreading out with the arrival of the Umayyad Dynasty to throne. Syria became an integral portion of the Islamic Empire.

Ottoman Turks dominated the land for themselves after Islamic Empire held it for centuries. On the other hand, the Ottoman Empire was separated after their defeat in World War 1. Moreover, French and British split Syria between them (Made in Syria, 2011).

2.3 Climate

Syria is has Mediterranean climate; in summer it is hot with mean temperature between 30-35 degrees and in winter it is cold the mean temperature between 5-15 degrees.

2.4 Culture

Over thousands of years the impact of Syria has been felt. Syrian cultures had an effect on unknown cultures like Romans. The Syrian culture concentrates on family, religion and self-confidence. Dances and celebrations are very important at marriages or when child is born (Made in Syria, 2011).

2.5 Industry

2.5.1 Artistic Metalwork:

Syria is characterized availability of the arts since centuries. Syria are valued around the world since it produces variety kinds of metal product.

Jewelers in Syria were created of silver for the sovereigns. In 1940 silver ornamentation modified to gold (Made in Syria, 2011). Their jewelers seldom detained precious stones, on the contrary, a lot of semiprecious ones amber, agate, and turquoise were utilize to add color. Add to this, jewelers were using glass beads

of the complimentary colors to stone in necklace or a bracelet. Syrian metalwork still holds a significant place among world cultures.

2.5.2 Textile

Syria is concentrate to their industries for maintain and are relying on private sector in manufacturing. Syrian government started to concentrate in nation and economic growth rapidly after 1960's. Government also started setting tariffs on imported products and established credits and tax exemptions to local Syrian products (Made in Syria, 2011).

Syrian textiles are the second largest manufacturing excluding oil and mining. It represents 12% of the total manufactured production. There is nearly 30% employing of the nation, they have created skills in the woolen and cotton markets. Textile plants in Syria have constant development every year whereas other manufacturing have slowly fallen (Made in Syria, 2011).

Handmade fabric in Syria were the core of raw material and trade means exchange(interaction), which let them to have ability to find out and gain the materials desired for textile industry. Nowadays, cotton and linens based products control the Syrian textile manufacturing.

2.6 Tourism

Many tourists from all over the world travel to Syria yearly due to its attractive history, represented by, historical sites, artifacts, and deep-rooted civilization. The (UNESCO) reported that historical sites in many Syrian cities can join the world historical sites list because they have enough evidences that witness the existence of old civilizations, even the ones before the Roman and Greek empires.

Tourists who visit Syria increase each year since it has a cultural traditional and a Mediterranean coastline. About 900,000 tourists have visited Syria between 1990-91 after the Gulf War. However, after 1996 Syrian instability has hold back the tourism segment, demonstrated by the decline in visitors to 400,000 in 1999 from 2.5 million in 1998. Add to this, tourism income decrease from \$1.3 billion in 1998 to \$712 million in 1999 (Encyclopedia of the Nations, 2007). Arab visitors who go to Syria for holiday in rising numbers, since they benefit from the superior luxuries existing by the sector. In 2003, the number of tourists visiting Syria was about 4.4 million tourists distributed as follows: 3.4 million tourists are from Arab countries, 680 thousand Iranian and Turk and the rest are coming from Europe, North and South Americas, Japan, Korea, China and others (Encyclopedia of the Nations, 2007).

Tourism in Syria encounters worth mentioning problems. Syria tourism is not developing because of these problems. To illustrate, tourists don't normally spend much of money for shopping due to lack of touristic goods and stuffs, the limited number of transportation inside Syria and even from abroad, and the low governmental sponsoring balance for developing tourism. Moreover, non-existence of the large entertaining centers would stop the growth and development of tourism in Syria. The most vital problem Syrian tourism faces is the lack of local or international investment in it. Even though Syrian government has made crucial steps which would stand behind the driving force of developing tourism, nevertheless; the government must do encourage both private and foreign sector to invest in order to have a better tourism season. To encourage the foreign and private investment, government must exempt the investor from at least 50% of the taxes and offer more facilities to them (Encyclopedia of the Nations, 2007).

Statistics from the Syrian Ministry of Tourism show that in the first five months of this year, the number of “tourist arrivals” in Syria rose to 3.1 million, a whopping 65 percent increase compared to the same period a year earlier. The figure is divided into three groups: Arab foreigners (1.7 million), non-Arab foreigners (900,000) and Syrian expatriates (600,000). Although “tourist arrivals” is a loose definition - the ministry simply measures all arrivals and calls them tourists — unless Damascus suddenly became the world business conference capital, tourists are evidently flocking into Syria in large numbers (The Daily Star, 2011).

2.6.1 Potential for Profit

With all these tourists come opportunities for local business. Tourist guide Homsi is one of 889,000 Syrians currently employed in the tourism sector — 11.5 percent of the work force. Over the past 18 years, he has slowly moved away from guiding flocks of tourists to teaching cultural heritage management at the Damascus Tourist Institute, and is now converting an old Damascene house into an art gallery where, he says, he will be able to combine his love for all things art and antique with commercial activity. “Whenever I take tourists to see Syrian culture and art, they are very interested,” he says. “And surprised: they simply have no idea it exists,” (The Daily Star, 2011).

There are several other entrepreneurially-minded traders in Damascus’ tourist markets angling for original ways to make a buck from visitors, such as the owner of a shop called “Beebread,” who explains in a conspiratorial voice that Syria has many unique plants with medicinal qualities that Westerners have yet to discover. His shop sells low-sugar honey to locals, and has a growing customer-base in tourists buying

honey-based facial cream and organic digestive pills manufactured according to a secret recipe.

But Homs and Beebread's innovative tactics are an exception among Syria's tourism traders, who mostly follow the tried-and-tested business model of the clustered shawarma shop. Along Damascus's biblical Straight Street, for example, most salesmen seem content to seek out a living selling the same pots and pans as their neighbors do. Although the luxury five-star Tadamora Palace hotel recently opened in Palmyra, commercial activity at the country's prime archeological site still revolves mainly around groups of Bedouin that ride around on old motorbikes selling soda cans and checkered shawl (Foreign and Commonwealth Office, 2012). As one wandering tourist put it recently, "where are the hot-air balloon rides, the mountain bike rentals?"

"There is a huge gap" between potential and reality, admits Nourish, who explains that locals' reluctance to exploit tourism possibilities may be a legacy of the past, when the state was the one and only player in many fields. Nowadays, he says, "business opportunities are enormous, particularly in the areas of eco-tourism and event management. The sites, accommodation and restaurants are there, but there are more and more people that are looking for activities like festivals, theater shows, etc. the Ministry of Tourism is genuinely interested in promoting such activities," (Global Politician, 2004).

2.6.2 Bedroom Boom

One sector that has been doing particularly well is the hotel industry, although the year saw a bit of a slow start, with occupancy at 49 percent in the first quarter of 2010 as opposed to 61 percent a year earlier. Though small luxury boutique hotels

have popped up all over the Old City and the last decade has seen considerable investment in high-end hotels, there is still room to grow, says Julian Crane, director of marketing for the Damascus Four Seasons Hotel (Wikipedia, 2012).

“There is a big opportunity for mid-range hotels and mid-range pricing,” he says. “There are not enough four-star hotels, for example.” But high-end hotels like the Four Seasons will remain in demand as well, he says, “as long as the demand for this destination in terms of commerce and leisure continues to grow. And there is no reason why it shouldn’t. Syria has an exotic mystique about it that people will continue to be interested in.”

Tourism is fast becoming a pillar of the Syrian economy, constituting 11.2% of the country’s gross domestic product in 2009 and expected to rise to 13 percent of GDP by 2019, according to the World Travel and Tourism Council. Still, it is a developing industry and there are obstacles to overcome, such as a lack of infrastructure and a shortage of skilled personnel. But as long as the region stays stable — a vital prerequisite for growth mentioned by nearly everyone Executive spoke to — the sector is likely to continue to grow as a major market (Wikipedia, 2012). “There are 5,000 mosques, 700 churches, 50 synagogues and 10,000 archeological sites in Syria (Wikipedia, 2012),” says Homs. “Most of them have yet to see a tourist.”

as mentioned above, deep-rooted history, beautiful landscapes, and fine shopping and dining activities result in increasing the number of tourists and making syria the first choice or destination for the tourists. This fully guarantees a fruitful tourism season.

Almost 400 4-star hotels and 5-star hotels are in Syria, 3/4 of them are located in the commercial part of Damascus. fine hotels are located on coastal regions, good

shopping centers, and long thrilling shores on the Mediterranean sea. tourists can also enjoy the Syrian food which is ranked first among Arab countries. Not only Arabic food, but also the western food are available in most of restaurants in the central cities. Hotels in Syria divide the year into two season(Made in Syria, 2011).

- **High season:**

- 15 March - 14 June.
- 10 September - 15 November.
- 20 December - 15 January.

- **Low season:**

- 16 January - 14 March.
- 15 June - 10 September.
- 20 November - 19 December.

2.6.3 Restaurants

Syria has many sorts of restaurants and it open 24 hours. Syrian eating tastes delicious so never lose the possibility to eat the Syrian food and drinks (Arak and local Wine).

There are many cafes and restaurants in Damascus that offers parcels of spinach, hummus and mezzes of fatayer. Damascus has a number of fast food and traditional eateries like a quick falafel, shawerma at “Anas” and camel kebab. These snack bars open during the day and night, so roads are buzzing with movement.

2.6.4 Touristic Places

To begin with, The Souq Al-Hamidiyya is very well-known place in Damascus. As a brief description, Souq Al-Hamidiyya consists of Wide Street, rounded by many shops. a road with Roman columns on both sides and a temple on that road. Moreover, smell of spices is first thing someone would notice when enters the Souq. Goods made of leather, copper, and silk are even available. At the end of the Souq, an archetictural wonder stands. It is the great Umayyad mosque. This mosque has 3 minarets. First, it was an Assyrian temple, and then converted to Roman temple, next to church, after that, to a mosque and church together, and finally, to a mosque up till the time being. Remarkable Christian drawings and symbols are on its walls. Also, the prophet Yahya was buried inside the mosque. Moreover, females must wear an overall cover called (Abaya) before entering. Entering Ticket costs 50SL.

Worth mentioning and very highly recommended places to be visited are Aleppo's castle, Mausoleum of Salah al-Din where some statues for the Saladin and his horse and two Frankish knights nearby horse tail exist beside the Mausoleum, and last but not the least the Azzam Palace which includes a museum. Finally, the October War Panorama in suburbs might be either visited. It costs 7\$ by minibus with English-speaking guides assistance.

2.7 Transportation

- 1- Planes:** There are Domestic flights among Syrian cities like Lattakia, and Deir Ezzor.
- 2- Taxis:** Taxis are the most common transportation in Syria, Which is accessible 24 hours inside the cities.
- 3- Trains:** Trains are available in Syria to travel inside Syria around cities.

2.8 Small and Mid-size Enterprises

Syria's small- and mid-size enterprises (SMEs) – businesses with less than 250 employees. Syria makes up around 90% local services and manufacturing from hospital to private school and handicraft stores. SMEs are, therefore, at the top of the Syrian government's development agenda. The Ministry of Economy and Trade's national SME strategy provides guidelines for developing the sector during the new, 11th Five-Year Plan. The strategy aims to build a supportive legal and regulatory environment, to set up infrastructure and to ensure effective oversight of the strategy (Syria Today, 2011).

The breadth of small businesses in the country is so wide that it is important to think of the sector holistically. What makes an SME successful is a question that interests not only entrepreneurs but also decision makers and business consultants. Wisdom and information based decisions are the basis for a successful business if coupled with an entrepreneurial spirit and available resources. This might be the magic blend desired for any business to survive.

Further, all Syrian SMEs, regardless of what they do, need to emphasize innovation and distinction. These are prerequisites for a competitive business (Syria Today, 2011). By looking at companies that value both of these traits, enduring and successful Syrian industries emerge, ranging from handicrafts and drama to olive oil and pistachios and even to Syria's reputation for affordable, high-quality dental services. Other standouts include Arabic-language instruction, financial services, logistics, paintings and graphic design, cartoons and tourism.

The government is clearly focusing on business services and support within private companies and nongovernmental organizations (NGOs). The creation and development of business support institutions has occurred in recent years both in Syria's major cities and its rural areas. Business incubators, training facilities, financial services, development centers and NGOs are examples of this movement (Syria Today, 2011). They include the Syrian Enterprise and Business Center, with offices in Damascus and Aleppo. Business incubators are now in Damascus, Aleppo, Deir ez-Zor, Homs, Al-Soukhneh and even in the country sides of both Aleppo and Lattakia.

Although SMEs are being nurtured in the above-mentioned manners, they still have some challenges to overcome, such as the availability of and access to resources. Financing, for example, currently mainly serves large companies. The latest legal and regulatory developments – such as the 2009 presidential decree permitting microfinance banks to operate in the country – resulted in establishing new financial tools but have yet to cause any major impact.

Intellectual capital is another challenge. There is a high demand but less access to skilled labor, although low-skilled manpower abounds. Thus, companies must overcome the skills gap by investing in more training for its workers (Syria Today, 2011).

Syria has the potential to become a regional leader in fostering an environment that helps small businesses flourish. The competitiveness of the Syrian economy will be measured by the growth and health of the SMEs sector over the upcoming decade.

Chapter 3

LITERATURE REVIEWS

3. 1 Strategic Orientation

Strategic orientation relates to the method wherein a company adjusts towards the exterior (industry/competitive) surroundings (Miles & Snow, 1978; Mentzberg, 1973). The ideal control arena has developed analysis that concentrates within the identification and the comprehension of company degree tactical orientations inside businesses (Moore, 2005). This analysis categorizes companies into techniques centered on their ecological adjustment patterns (Ketchen et al., 1997). Scientists utilization ideal orientations to search at the regards among organization technique and overall efficiency (Dess, et al., 1993).

Based to Arasli (2000) ideal alignment categorized to three components that are: Market orientation, Entrepreneurial orientation and technology orientation.

3.1.1 Market Orientation

Considering that the starting of the 90's the principle of market orientation has drawn large focus from promotion academics. This may not be awesome due to the fact it is carefully relevant to basic principles of promotion concept (marketing concept), to get an execution of marketing as an organizational point of view and with the thought that it favorably effects company efficiency. (Kohli & Jaworski, 1990; Narver & Slater, 1990) are usually mentioned as creators of conceptual and statistic equipment for evaluating industry alignment build. In recent times nevertheless,

developments or substitute techniques have been recommended by various writers. Still, comparatively several initiatives have been created to specify popular factors or incorporate recommended changes. On the flip side, some essential recommendations of unique experts were mainly overlooked. (Narver & Slater, 1990; Kohli et al., 1993) particularly suggested program of the set of questions in various contexts; between them, in assistance contexts. Regardless of intense program of market orientation measurement throughout various areas and areas (Jaworski & Kohli, 1993; Greenley, 1995), no recognized efforts were created to test and embrace industry direction statistic for the expert services perspective. As the products and services industry usually demands unique market (ing) techniques, we consider that this task needs to be tackled.

Market alignment in common is an organization viewpoint that determining and achieving the condition or invisible requires or desires of the shoppers, by means of its own or obtained item.

In accordance to (Guo, 2002) ‘market orientation places the develop and decides the primary strategy for making promotion strategies’. Some researchers recommend that MO is basically customer orientation (Deshpande et al., 1993) containing the concept of ‘customer pull’ in specific organizing and execution. Operationalization of market place inclination designed three attitudinal elements:

(a) Client alignment, the adequate knowing of targeted purchasers so with regards to be capable to generate excellent worth for them consistently.

(b) Competitor orientation, knowing the short-term strong points and weaknesses

and the long-term capabilities of both present and prospective competitors.

(c) Inter-functional synchronization: the synchronized usage of organization sources for developing excellent worth for focus on clients (Narver and Slater, 1990).

MO will cause to much better efficiency accomplished by means of powerful inner synchronization and the enhanced comprehension of, and quality of emphasis in direction of clients and competition (Cano et al., 2004).

Industry orientation in accordance to (Dalgic, 1998) is a advertising understanding which put consumer requirements in the heart of all firms' routines. (Naver & Slater, 1990) discovered that industry alignment consisting of three behavior features: Customer orientation: comprehension the prospective consumer requires in purchase to generate an additional worth for him on a continuation foundation. Opponent direction: understanding the durability and weak point as well as abilities and techniques of essential opponents. Inter efficient co-ordination: managing use of the firm sources for developing great included value to focus on consumers. Industry orientation understands about customer and competitors.

Industry orientation is imagined as the immediate linkage involving marketing and business and as the foundation for maintainable aggressive benefits (Barrett & Weinstein, 1997). (Kohli & Jarwoski, 1990) aver that market place alignment is the firm's execution of the marketing concept. (Slater & Narver, 1995) defines the market orientation as the organization's traditions that most successfully and effectively make the essential actions for the development of excellent worth for customers and, therefore continuous excellent functionality for the organization.

(Kohli et al., 1993) determine market orientation as the organization-wide creation of industry intellect relevant to present requires of clients, distribution of intellect flat in a trench and up and down inside the company, and organization activity or responsiveness to industry cleverness. The promotion principle recommends that the lengthy term objective of a company is to fulfill client requirements for the objective of increasing corporate and business income (Kohli & Jaworski, 1990). The phrase “market orientation” pertains to the stage to which Iren a company makes use of the advertising principle (McCarthy & Perrault, 1984).

3.1.1.1 Development of Market Orientation Principle

Kohli & Jaworski (1990) describes industry orientation as the organization creation of industry thinking ability relevant to present and foreseeable potential requirements of clients, distribution of cleverness inside a business and responsiveness to it. These writers thus determine (and assess) this concept as an effect of numerous fundamental factors actions/methods) interacting to get promotion information: their creation, distribution and responsiveness. A little bit various meaning was suggested by (Narver & Slater, 1990).

They determine market orientation as the company lifestyle that is not going to efficiently and properly generates the required actions for the generation of excellent worth for purchasers and therefore outstanding overall functionality for company. Analyze and follow industry orientation statistic for the solutions perspective. These creators specify about three primary (content/focusing) elements of the build as: client direction, competition alignment and inter functional synchronization. To the three primary elements they also included two decision requirements: long-term concentrate and productivity. Each choice requirement was not integrated in the set

of questions due to the fact of their lower stages of stability.

Deshpande et al., (1993) pushed the two concepts. They see industry alignments being associated with client orientation, becoming recognizable from opponent orientation. Placing customer passions at the stake is the most important part of their definition of customer (market) orientation and they claim that opponent orientation can be nearly antithetical to consumer direction when the concentrate is more on the strong points of the opponent than on the unmet requires of the client. This perspective is reliable with other writers from the promotion and ideal management field. They highlight a requirement for a tactical focus which must be on the consumer (Christopher et al., 1991; Karloef, 1993; Day, 1994).

Crucial conversation aroused various enhancement initiatives in calculating market orientation. (Deng & Dart, 1994) designed a four-factor unit, composed of the three aspects of (Narver & Slater, 1990), to which they include (basically, put returning) benefit orientation as a next purposeful aspect. (Gray et al., 1998) suggested a five-factor tool which brings together the (Kohli & Jaworski, 1990; Narver & Slater, 1990) measurements.

The measurements of their device are inter-functional co-ordination, revenue focus, competitor orientation, consumer alignment and responsiveness. (Lado et al., 1998) provided supplier orientation and ecological orientation to the idea, and suggested a nine-component model which include two levels of the market orientation procedure: research and ideal actions (every composed of four components), furthermore an extra element, intra-functional synchronization. Completely the nine factors recommended by (Gray et al., 1998) are:

1. Research for last customer
2. Research for supplier
3. Research for rivalry
4. Research for surroundings
5. Interfunctional coordination
6. Ideal steps instructed in the direction of the last customer
7. Tactical actions concentrating on the distributor
8. Ideal actions concentrating on the competition
9. Ideal actions concentrating on the atmosphere

Much more lately, (Lafferty & Hult, 2001) created summary of marketing orientation viewpoints and they discovered five various techniques to the understanding of market orientation:

1. Business choice making viewpoint
2. Industry intellect viewpoint
3. Culturally centered behavior viewpoint

4. The ideal target viewpoint
5. The client orientation viewpoint

Although the measurements mentioned in the past segments are exciting, they slightly improve the (Kohli & Jaworski, 1990; Narver & Slater, 1990) dimensions. We think that an “implementation” perspective is extra successful at this stage. Regardless of the thought that (Kohli & Jaworski, 1990) recognized market orientation as the setup of promotion idea, (Deshpande et al., 1993) factors out that the arena of marketing execution problems obtained minimal (scientific) interest. (Harris, 2002), on the foundation of comprehensive literary worksreview talks about different control techniques to the growth of market orientation. One essential stream of literary works in this area resolved limitations (elements) to market orientation. (Harris, 2002) recognized two kinds of limitations: managing and corporate. Due to the fact effective techniques to cope with those limitations must be an important part of market alignment progression, we explore them temporarily.

3.1.2 Entrepreneurial Orientation

Based to (Lumpkin & Dess, 1996) business alignment (EO) is the technique-making procedure that allows the business owner to behave and operate the company appropriately. The will not mentioned meaning of EO is by (Lumpkin & Dess, 1996) which relates to “the procedures, methods, and decision-making actions that cause to new entry”. The growth of EO concept is supplied by (Covin & Slevin, 1989; Naman & Slevin, 1993). Both scientists designed statistic machines of EO which are commonly applied by present research. Entrepreneurial companies are likely to improve the new item growth, assist in new company generation and reenergize present functions. Ongoing research on EO has verified the discovering and features

the significance of EO on company overall efficiency as it indicate the trend of an organization to take threat, to innovate and to be practical, (Lumpkin & Dess, 1996).

EO shows an SME's tendency to interact with in the "pursuit of new industry possibilities and the restoration of current places of procedure" (Hult & Ketchen, 2001). EO is getting used to describe the state of mind of organizations being involved in seeking new projects offers a helpful structure for exploring business action. EO appeared as a multidimensional build comprises of three aspects, such as innovativeness, pro-activeness and risk getting (Lumpkin & Dess, 1996; Miller & Friesen, 1983). Innovativeness is associated to looking for artistic alternatives to issues and requires. Pro-activeness indicates forming the atmosphere by launching new items, technological innovation, management approaches instead of responding to industry variations. Danger getting implies the desire to make major options to possibilities which have a fair opportunity of expensive malfunction. These proportions are included in a company's idea operating decision-making and conduct in direction of developing new goods, going after new strategies of generation and/or providing expert services and getting into new marketplaces.

The phrase "entrepreneurial orientation" has been applied to recommend to the strategy making techniques and models of organizations that connect with in entrepreneurial activities. A well-known model of EO indicates that there are five measurements of EO—autonomy, innovativeness, risk taking, proactiveness, and aggressive aggressiveness (Lumpkin & Dess, 1996). We will describe two of those dimension—proactiveness and extreme aggressiveness. Proactiveness relates to how organizations affiliate to market possibilities by obtaining aside effort in the industry; aggressive aggressiveness relates to how companies answer to competitive models

and requirements that currently are available in the industry. Regardless of these differences, before analysis has maintained to associate these two ideas and suggested that they have an identical influence on organization overall performance.

Lumpkin & Dess (1996) has proposed for the self-reliance of quite a few lengths and width of EO—including freedom, innovativeness, risk using, proactiveness, and competing aggressiveness. In brief, freedom is explained as unbiased motion by a personal or group targeted at providing forward a organization idea or perspective and holding it by means of to achievement. Innovativeness relates to a determination to assistance imagination and analysis in presenting new products/services, and uniqueness, technical authority and R&D in creating new methods. Real threat getting means a propensity to consider strong activities these kinds of as going into unknown new marketplaces, choosing a huge section of sources to projects with unsure results, and/or applying for greatly. Proactiveness is an opportunity-seeking, forward-looking viewpoint including presenting new merchandise or solutions forward of the competitors and performing in expectation of potential need to make modify and appearance the atmosphere. Very intense aggressiveness shows the severeness of a firm's initiatives to perform better than industry challenges, recognized by a combative position and a intense reaction to competitor's activities.

For both start-up projects and current firms, business taken on in the desire of company options spurs company growth, technical progress, and prosperity development. Business minded activity rep-resents one of the significant search engines of economic development and today records for the greater part of new company growth as well as work development in the United States. As a result, writers in both the scholarly literary works (e.g., Covin & Slevin, 1991) and well-

known media (e.g., Peters & Waterman, 1982) have suggested that entrepreneurship is an important function of high-performing firms.

Entrepreneurship scholars have designed several typologies to illustrate different viewpoints of entrepreneurship (e.g., Cooper & Dunkelberg, 1986; Scholhammer, 1982; Webster, 1977).

These distinction techniques generally reflect differences in entrepreneurship as the outcome of numerous blends of personal, organizational, or ecological aspects that impact how and why entrepreneurship happens as it does. Despite the fact that these initiatives have provided to point out the various measurements of the entrepreneurial procedure, they have not guided to any commonly held agreement regarding how to define entrepreneurship.

This absence of agreement has obstructed progress for analysts in the direction of developing and testing a wider theory of entrepreneurship, and has created it particularly challenging for them to examine the relationship of entrepreneurship to efficiency.

The important act of entrepreneurship is new entrance. New access can be achieved by entering new or founded markets with new or current products or solutions. New entry is the act of releasing a new project, possibly by a start-up company, by means of an present firm, or via “internal corporate venturing” (Burgelman, 1983). New access is thus the main idea underlying the concept of entrepreneurship. Proof of this is recommended by the large section of analysis on entrepreneurship that is dedicated to describing the corollaries and repercussions of new project activity (e.g., Hisrich

& Peters, 1989; MacMillan & Day, 1987; Stuart & Abetti, 1987; Webster, 1977).

An EO relates to the procedures, methods, and decision-making activities that cause to new access. It comes out from a strategic-choice viewpoint (Child, 1972), which claims that new-entry possibilities can be efficiently undertaken by “purposeful enactment” (Van de Ven & Poole, 1995). Thus, it includes the objectives and actions of key players performing in a dynamic generative procedure targeted at new-venture development. The key dimensions that define an EO include a propensity to act autonomously, a desire to innovate and take risks, and a propensity to be competitive in the direction of rivals and aggressive family member to marketplace opportunities.

The formation of a new venture is a multidimensional trend; each diverse represents only a individual dimension of the phenomenon and are unable to be obtained by itself. Entrepreneurs and their organizations change substantially; the measures they bring or do not bring and the surroundings they manage in and interact to are just as diverse-and all these factors form intricate and exclusive mixtures in the creation of each new endeavor.

3.1.3 Technology Orientation

As opposed to “the customer-pull philosophy” of MO, technological innovation orientation (TO) shows the philosophy of “technological push”, which indicates that the clients generally choose scientifically outstanding items and expert services (Zhou et al., 2005). Consequently, a technology-oriented SME supporters a investment to R&D, the obtain of new technologies, and the software of the latest technology (Gatignon & Xuerb, 1997) in order to make superior and more competing items.

Despite the fact that both MO and TO enhance openness to new concepts, MO prefers ideas that much better satisfy consumer needs, while TO likes those that employ the most recent technologies in the progression of new goods and day-to-day functions.

Technology is getting essential considered investment for hospitality organizations to strengthen their efficiency and competition (Nyheim et al., 2004; O'Connor, 1999; Siguaw et al., 2000). On the international level, there is a developing gratitude of the function of technology in increasing a hospitality organization's very competitive advantages, and thus making contributions to the achievement of the business (Nyheim et al., 2004).

Research on technological innovation usage and diffusion has driven an incredible amount of focus from universities and organization experts in the hospitality sector.

As opposed to times past when the technologies emphasis was on property-based techniques and programs, today's hospitality organizations have changed their focus to strategic alternatives delivering global connection, shared data features, and safe electronic business, not to talk about the capability to operate over and above midnight on December 31, 1999.

One particular existing technology trend seen throughout all segments of the market is the implementation of wide-area network (WAN) technological innovation for internal and external communicating and information and information control. Commonly, this consists of the use of e-mail programs delivering immediate interaction functionality around global and technical boundaries. In addition to using e-mail for standard message delivery, many hotel organizations now also make use

of these techniques for the transfer of time-sensitive data files and records such as precise updates, payroll information, and handling outcomes.

WAN-based connection techniques are also being used by lodge organizations to connect via the Online with customers, vendors, hospitality information expert services, and others. Some businesses now deliver corporate and business or group confirmations, agreement modifications, payments summaries, and other information and facts in electronic format. The family member low cost and quickness of delivery of this communicating method, put together with the security alternatives offered and the comfort of a “paperless” atmosphere, have offered to its widespread approval in the sector.

Various hotel organizations have also commenced employing WAN technologies to put into practice intranet applications for managed accessibility via the Internet to company-specific, personal details. The programs for this know-how show up to be restricted only by the creativeness and perspective of the business.

A different technological innovation just starting to be executed in the bigger stores, but whose rewards will most likely be adopted within smaller companies in the long term, is the data stockroom. To put it basically, a details storage place is a data source which consolidates details from several different techniques into a commonly offered and functional agreement (within a described user community). Despite the fact that similar in some aspects to a business intranet program, a data warehouse makes use of sophisticated request applications to “read” and understand the data in other programs, although intranet information is mainly designed and managed personally. Details factory details is for that reason “on-line, real-time,” offering control for the not accurate systematic and decision-support resources.

The kind of data offered in a data factory is regularly marketing - related in characteristics, concentrating on visitor historical and potential information. Other details programs might consist of bookkeeping data, worker information, source details, or any other data distinction coming on an personal program but of attention or use to several divisions or places, especially when merged with information from other resources. The drawback of data warehouses is that currently they are extremely costly to implement (therefore their restricted adopting in smaller companies), despite the fact that (as with all technologies) they must turn out to be more scalable and for that reason more cost-effective to a greater variety of organizations in the upcoming.

Electronic business, a phrase provided to accomplishing organization dealings electronically, and most generally over the Online, has also started to get keep inside the kindness market. Despite the fact that a huge variety of hospitality qualities have had Online existence via a home web page on the World Wide Web for some time (currently estimated at nearly 70% of all U.S. qualities), until finally lately few of them basically used the business benefits provided by this technological innovation. With today's market consolidations, more and much more organizations are able to offer on-line room reservations through individual Web sites or larger booking organizations. This provides a cost - effective and efficient method of obtaining business and seems to be to be getting extensive popularity in the industry.

Other programs of electronic business applied by kindness organizations include on-line acquiring of items and solutions (often transacted over vendor-supplied devices and programs), and revenue of product logo or other souvenir-type items. Like the on-line bookings programs, electronic buying and selling applications are extremely

cost-effective and have the supplemental benefit of offering extensive on-line confirming and research abilities.

These are simply several of the technological programs becoming adopted within an market getting more focused on aggressive advantage, productivity, and investor worth. Strategic business technology preparing and implementation are no longer issues of option for a kindness company wishing to stay aggressive and practical into the following millennium. Those organizations that are creating the perfect investments in technology these days are certain to emerge as future leaders.

Despite the fact that huge organizations have adequate sources for making an investment in advancement, they experience from a wide range of problems that might create them less impressive. For instance, bigger companies seem to make a documentation that is un-favorable to an environment motivating creativeness (Kamien & Schwartz, 1975), and seem to be less versatile than smaller sized firms (Cohen & Klepper, 1996).

Comprehensive analysis taken out to test Schumpeter's speculation (Lunn, 1982; Cohen & Mowery, 1987; Amato et al., 1981) have combined outcomes (Acs & Audretsch, 1987; Acs & Audretsch, 1991; Cohen & Klepper, 1996). (Kamien & Schwartz, 1975) declare that there is tiny support for the concept that innovation improves with firm dimension, with the significant exemption of the substance market. (Rothwell & Zegveld, 1986) additional analyze company dimension and advancement throughout various sectors, decline the concept that advancement is relevant to dimension but with the market pattern, which differs with technology, marketplaces and authorities policy. More latest analysis indicates that small and

large companies are more impressive than all those of advanced size (Bertschek & Entorf, 1996). (White et al., 1988) also suggest that there are advantages with the smallest firms (<20 employees) and the bigger firms (50+ employees) but not the advanced group (20–49 employees), which lack the most effective of either world. The smallest firms have the benefit of personal image while the bigger firms the benefit of more resources and systems.

Other people have determined that large firms have an advantage in marketplaces recognized by partial competitors, while little firms have an benefits in markets recognized by pure competitors (Acs & Audretsch, 1987).

Lastly, large firms in low-tech areas have an advantages over tiny firms, but no variation dominates in high-tech industries (Acs & Audretsch, 1991). Existing research (Wagner & Hansen, 2005) on low-tech market discovers that company dimension effects on advancement kind.

3.1.3.1 Technology Characteristics

Adopting of technological advancement is a procedure of presenting modify to the company, and the effect of modify is identified by the features of the technological innovation. For instance, specific technology is so new to the organization that it needs extensive adjustments in the company methods of the company, although other technology may be applied with less change (Nord & Tucker, 1987). Although step-by-step innovation presents comparatively minimal adjustments to the current item (Tushman & Anderson, 1986), extreme advancement, in comparison, is dependent on a unique set of design and medical concepts and frequently up new marketplaces and prospective new programs (Dewar & Dutton, 1986). Fundamental innovation usually produces difficulties for established firms, whereas step-by-step innovation

provides low deviation from the existing practices (Dewar & Dutton, 1986). Usually Fundamental innovations need more resources, pose severe challenges to the existing structure of business operations, and disturb a large number of organizational events than do step-by-step innovations (Ettlie et al., 1984). So, technology adoption leading to fundamental innovations is almost more difficult to introduce than incremental ones.

The technology adopted can have different orientations in its applications. Some technologies are more products oriented, while others are more process oriented. Product oriented technologies refer to those whose application creates new products or services to meet an external market or user need. Process-oriented technologies refer to those whose application introduces new ways of conducting business and the transformation of business practices (Tornatzky & Fleischer, 1990). Adopters often find value in product oriented technologies in and of themselves, while process-oriented technologies have value because they provide a means to some end beyond themselves (Tornatzky & Fleischer, 1990). Technology innovations can be both product and process oriented for organizations and users, depending on the intended use. Process-oriented technologies are often perceived to be relatively less advantageous than product oriented ones because the former merely support the delivery of an outcome, while the latter are the outcomes themselves. Empirical research confirms the preference given to product-oriented innovations:

- (1) Organizations adopt more product-oriented innovations than process-oriented innovations (Strebel, 1987).

(2) Organizations expend additional funds on product-oriented new developments than on procedure focused ones (Chakrabarti, 1989).

(3) Winners of product-oriented enhancements obtain more interest, are frequently middle in connection networks, and have more energy to advertise their concepts. Because of these factors, product-oriented technology adoption will get more managerial interest in hospitality businesses and are carried out more conveniently than process-oriented technology. In supplement, technologies ownership for item enhancements is commonly more directly onward and effortless to apply than that for method innovations which typically demand modifications of the whole company procedure during the organization. It is, thus, not unexpected to see that kindness companies generally start by implementing technology systems that can display primary effects and provide new services such as reservation systems, point of sale systems, bookkeeping techniques, among others, prior to they move to any methods that might enhance business functions but will need filled with meaning change and combination of business methods as residence administration systems.

3.1.3.2 Technology Orientation and Business Performance

Technological innovation alignment indicates that customers prefer goods and solutions of technological high quality. Based to this philosophy, companies spend their options to R&D, make an effort to acquire new technology, and use advanced creation systems (Voss & Voss, 2000). Appropriately, a technological innovation focused organization is one “with the capability and will to obtain a sizeable technological background and utilization it in the growth of new products” (Gatignon & Xuereb, 1997). Due to the fact of their formidable dedication to R&D and program of latest systems, technology-oriented organizations can build new technical

alternatives and offer you new and innovative items to fulfill buyer needs. Subsequently, technology-oriented firms have a aggressive benefits in terms of technology authority and presenting separated items, which can lead to excellent efficiency (Hamel & Prahalad, 1994). Scientific information also recommends that a technology direction has a positive relationship with new merchandise (Gatignon & Xuereb, 1997) and firm (Voss & Voss, 2000) efficiency.

The worth of a technology direction, nevertheless, most likely relies upon on scientific disturbance, which pertains to the amount of technical adjustments within an sector. When the stage of technological adjustments is comparatively low, businesses can advantage from depending on and generating full use of their present-day technologies. However, due to the fact of their dedication to technological superiority, technology-oriented companies dedicate their sources to R&D actions, which incurs considerable costs and costs that may not be rewarding when the tempo of technological modify is low. When the industry setting is marked by rapid technological breakthroughs, the benefit and influence of earlier technology declines very rapidly (Srinivasan et al., 2002), companies need to allot more options to technology development, research with new technology, and handle uncertainty by means of innovations; in any other case, they will be influenced out of the industry because of significantly outdated technology. Consequently, a better level of technology orientation is desired to deal with higher amounts of technological disturbance.

Technological adjustments vary considerably for various industrial sectors in China. Whilst some businesses encounter step-by-step technical progression, other people have consumed cutting-edge engineering from international companies by means of

licensing or creating combined efforts (Zhou et al., 2005). In latest several years, an growing quantity of worldwide companies have set up R&D centers in China and some Chinese language companies set up offices overseas to acquire superior technology. This presents a energetic environment that may average the influence of technological innovation orientation.

3.1.3.3 Use of Technology in the Lodging Industry

Technological innovation is one of the fastest-changing elements of the kindness sector (Kasavana, 1997). The quick modifications in corporate and enterprise and control structures within the welcome industry have acquired the side influence of pushing lodgings businesses to implement technology in new and much extra successful methods (Berchiolli, 1998). The significant aspects operating engineering implementations in food procedures are enhanced purchase sizes by way of consolidations, complicated confirming need, and global connection requires. Developments in the parts of visitor products and services, bookings, food items and drink administration, sales, food assistance food catering, preservation, protection and welcome human resources have expected the consumption of computer system techniques technology in each and every aspect of hotels procedures.

Furthermore, the execution of technology can make hotel room businesses extra powerful and cost-effective. Technological advancement like action alerts can be interfaced with HVAC program to management air-conditioning when the guests leave the room. In accordance to Amdekar, selecting the accurate technological innovation and establishing them with other eco-systems can help hotels to achieve the wanted productivity and greatly enhance guest pleasure.

Scientists who have analyzed technology in the welcome sector agreed upon that technological innovation has made a important switch to the way the persons work, communicate, control, and do organization (Kasavana, 1991; Chervenak, 1993; Cline, 1996; Wolf, 1997; Collins & Malik, 1999). In accordance to a study performed by Andersen Welcome Referring with, a forecast was made that the accommodations industry's major emphasis would switch to buyers from physical assets (Cline, 1997) and that technologies would engage in an significant role in helping lodgings industry accomplish and preserve customer focus.

3.1.4 Organizational Learning

From the authentic research centered on organizational studying, there is an extremely quickly increasing concern from a different variety of educational viewpoints on this topic (Daniel et al., 2007). Company studying (OL) signifies the progression of new understanding that is viewed and institutionalized into corporate regimens (Jones and Macpherson, 2006) assisting performance-enhancing company changes (Slater & Narver, 1995) contemplate OL as firms' values (e.g., commitment to learning, open mindedness and shared vision) that effect its tendency to make and use understanding. Such ideals manual an SME's carryout and operations gain data, developing popular comprehension of data and generating new comprehension or corporate insights (Fiol & Lyles, 1985). OL supports firms' internal self-renewal, and is a major element of SMEs' specific passions.

3.1.4.1 Defining Organizational Learning

Couple of phrases has come into the expressions of business scientific professions with less obvious dilemma for setting up a popular explanation than company discovering. The major difficulties in getting to a beneficial explanation are to identify the implications of corporate understanding from the studying method. On

the one hand, the explanations suggested by (Argyris & Schon, 1978; Fiol & Lyles, 1985) highlight the factor of studying to boost corporate usefulness. On the other hand, Huber identified business comprehension as a change in the selection of an company potential behaviors (Huber, 1991), which may or may not contribute to enhanced efficiency. For Huber, an business may purchase the information necessary to execute diversely without really representing that prospective. It is definitely beneficial to check out both the effects of discovering and the procedures that deliver those effects, and definitions of corporate discovering tend to focus on either one or the other.

Company learning is a corporate process, both purposive and unintentional, empowering the acquisition of, access to, and revising of organizational memory, thereby delivering way to organizational steps. The key features of this explanation are worthy of awareness. First, we see corporate learning as an business procedure to identify it from studying that might take place at other degrees of social investigation, such as the particular person, collection, or inter-organizational network. Though recent solutions of corporate learning emphasize the interactions among discovering at various degrees of analysis (Crossan et al., 1999), we restrain our classification to the corporate level. Second, organizational studying is a method, not a setup of structural parts. While prescription remedies for the design and style of understanding businesses often emphasize nonhierarchical, team-based components, the discovering procedure can happen within just a variety of architectural preparations (Wishart et al., 1996). Third, we think about organizational understanding to be the two deliberate and unintended. Whether or not carefully well guided by intended action or not, discovering may take place. Last, our meaning

provides a main role to company memory, a basic term that indicates that expertise might be saved in a range of databases, both people and doll (Anand et al., 1998; Walsh & Ungson, 1991). Organizational memory includes provided comprehension of a firm's identity (Fiol, 1994), the emotional models that stand for the company's theories-in-use (Miller, 1993), and each intellectual and behavior routines (Cohen, 1991). Lastly, we take into consideration the company learning method to become performed to information company action. By means of acquired expertise, a corporation improves its collection for measures.

It is typically agreed that corporation learning is a complicated idea, which has been analyzed from a broad wide range of disciplinary aspects. Because of to this multi-disciplinary attention, it is for that purpose barely unexpected to obtain that a extensively recognized which means of company learning has yet to come out. But, as observed by (Tsang, 1997), nearly all descriptions contain both intellectual and attitudinal changes.

With regard to the intellectual part, most analysts agree that this is worried with gaining knowledge, comprehension, and new information. But there is a divided among explanations on no matter if a transform in genuine, or prospective behavior, is necessary for discovering to take place. In advertising, a selection of meanings has also been put in advance. For illustration, (Sinkula, 1994, p. 36) identifies organizational learning as he indicates by which understanding is conserved so that it will be employed by persons other than its progenitor. In contrast, Slater and (Narver, 1995) suggest that for organizational realizing is the improvement of new expertise or insights that have the prospective to have an impact on habits. Lastly, (Lukas et al., 1996, p. 234) disagree that the course of action of being familiar with

and learning new skills is at the center of organizational studying. Although these explanations do change, the typical place is the fact that they concentrate mostly on mental transform.

Even while there is difference of thoughts and views about how to specify this create, most creators acknowledge that business discovering is a method which is composed of three distinctive periods particularly, data acquisition (generation), facts distribution (distribution), and provided meaning (Huber, 1991; Slater & Narver, 1995). Simply because the routines in the first two levels of the learning method are commonly more obvious, specific, and visible, they are more open to investigation (Sinkula, 1994).

In the present information group, person experience (private and expert development), business studying and advancement are three key abilities that allow the organization to recognize, make, make use of, replenish, and implement information moves in new methods to get progress in business efficiency (Nonaka and Takeuchi, 1995). Conversing with these features efficiently can deliver businesses with a supply of ecological fairly reasonably competitive benefits, because these features are normally helpful, unusual and challenging to replicate or substitute (Barney, 1991; Grant, 1996).

Business discovering is the company's ability to manage or increase functionality dependent on encounter. This pastime consists of the exchange of specific and tacit information (progression or generation of expertise, information, relationships), information sharing (distribution to others of what has been obtained by some), and information use (addition of learning so that it is eaten and commonly offered and

can be standard to new circumstances) (Dibella et al., 1996). Such researching enables attitudinal modify those prospects to increased efficiency (Fiol & Lyles, 1985; Senge, 1990). (Senge, 1990, p. 3) notes that 'we can then build this learning company when people constantly increase their potential to generate the success they truly desire; in other words, their individual expertise is motivated. The design of command and company understanding are inseparable.

Company understanding will only happen if there is before personal learning (a essential but not enough situation for company learning). To inspire personal studying, we need to get commenced with the subject's individual and specialized progression. Persons with a higher stage of private mastery are more committed to constant personal development and have a high degree of programs believing, attributes that prefer organizational understanding. They gain better conversation involving the sensitive (a sensitive brain) as well as the unconscious (an auto or depths of the mind mind), indicating that they are in a position to hold out very hard jobs to get an excellent simplicity. They have a regular mindset of questions and discovering that allows them to examine the tumultuous, altering setting as something that is not a loss (learning from it) and to continue to be fully committed to their own progression (Senge, 1990; Senge et al., 1994).

We can only control to generate a sensible business if the participants regularly make the effort to increase their awareness, capabilities and competences, in other thoughts, if persons expand both properly and individually while they operate (Hodge et al., 1998). Many scientific studies have confirmed the connection among private competence and business studying from unique viewpoints. From the point of view of resources and capabilities hypothesis, evaluate individual expertise in

depth—particularly its things and the characteristics of people with a great stage of this arranged aspect for organizational understanding and innovation—and show the methods to encourage it.

(Cullen, 1999) reasons analysis in a public viewpoint to analyze the connection among individual expertise and studying businesses. (Flood, 1998) researches how wide spread thinking impacts personal expertise, which encourages the inspiration to learn consistently. (Thomas, 1994) makes use of the contact lens of organizing to point out how private mastery works on the understanding elements of the agency that fit in to the person. Ultimately, (Leonard, 1992) displays the value of personalized expansion in understanding labs.

SMEs show a set of difficulties that develop it additional challenging than in huge firms to put excellent studying techniques into exercise.

They generally shortage the highly accurate volume to explain their true organizational learning requires in the framework of modernization of the firm and of operations of engineering creativity, for they also shortage their very own indicates to program, organize and share learning courses. The manufacturing of specific discovering courses for a modest quantity of personnel is also commonly too high-priced for them to utilization.

The limit financial profit margins, with which SMEs perform, as well as the tiny variety of employees, create it extremely challenging to allow workers permission to be present at understanding and exercising training outdoors the company. Furthermore, SMEs typically have much less signifies of their own to promote

company learning and gain the addition of function with learning, thus needing exterior expert assist. For that reason, to alter the SME into a learning corporation, it is required to integrate work and learning in a single system. This involves the orientation of particular key industry experts in the agency towards exercising and towards knowing methods (Aragon et al., 2007; Argyris & Schon, 1996; DiBella et al., 1996; Senge et al., 1994).

3.1.5 Market Conditions (MCs)

In series with (Voss and Voss, 2000), it is achievable to split Market Conditions (MCs) into three types: demand concern, aggressive depth and market progress. Need uncertainty makes reference point to market disturbance which is straight relevant to economic slowdown (crisis, inflation, etc.) and discrepancies and transform of customer choices.

Competitors' severeness relates to the level of competitors that a company faces within the sector. This may be recognized by severe promotions, volume wars, hefty promotion, different products options and added services (Porter, 1980). Market progress makes reference to the enhance in demand from consumers for goods due to existing buyers' raising purchasing power, new buyers, new products and solutions or rising needs for better top quality products.

Promotion has generally been a very interchangeable company primarily simply because of the characteristics of the market position. Every year marketing companies go to great hard work and spending to produce marketing strategies only to find that within just 3 months into the organizing skyline the scenario has modified noticeably and the strategies are delivered outdated. For this purpose, one

of the simple skills in marketing is to manage switch, to be ready to be pregnant foreseeable future market area specifications and variations, and swiftly expected.

Even though promotion has been an active business, never ever in background has there been a time of greater switch than has taken place in the previous 5 years or so. There have been a variety of basic adjustments in marketing which have and will keep on to significantly having an impact on the advertising surroundings. On the exterior, many of these adjustments will not show up to be related to farming but, in substance, will have a main impact.

The key adjustments are:

- A considerably modifying market.
- Stagnation of conventional markets and progression in niche markets.
- Restored attention in export markets.
- Progress in the promotion sequence.
- The digital trend; product packaging motivated development.
- The development of super organizations.
- The preoccupation with deregulation.
- Farm owners moving external the village checkpoint.

3.1.5.1 The Dramatically Changing Consumer

There are a variety of considerable adjustments in the structure of the inhabitants and practices of the consumer, which work collectively to generate extraordinary modifications in the products that people buy and the technique in which they utilization them. These modifications are:

1. Alterations in the market framework of the inhabitants, the key adjustments are:

- An ageing of the human population.

- Development of one and two individuals' homes.

- An expanding quantity of ethnical men and women in the human population.

2. Consumers' expenses pushed by health and fitness and nourishment:

Customers are a lot more involved about the benefits of what they eat. They are also getting progressively vulnerable toward utilization of substances and synthetic ingredients in meals development.

3. Higher assertiveness by consumers which is shown in higher anticipation of products in terms of quality, value for money, consistency.

4. The increasing significance of manufacturers in marketing:

Customers want to be capable to recognize items which they will confidence. Generic and plain label products, whilst still occupying a significant discuss of the

market place, have arrived at their peak and in some item groups are on the downfall. Higher report brand names are getting an important portion of profitable marketing.

5. The “Greeny” customer:

Individuals are much more mindful of the surroundings which are becoming demonstrated in their expenses apart from CFSs and ecologically unfriendly product packaging.

6. The wish and determination to pay for products and solutions those offer comfort:

The regular Australia thinks that he/she has a busy life and that it need to be used to its highest to appreciate actions that bring satisfaction rather than challenge mundane domestic tasks.

7. Consuming Out:

One in several food dollars is now invested away from house, generating fantastic possibilities inside the food support industry and some stagnation in the family retail markets.

8. The microwave emerging trend:

In excess of 60% of households now have and use a stove oven. This has got an amazing impact on the diet and the technique in which food is well prepared and eaten.

9. The traveling Australian:

50 percent of the human population has been abroad at minimum once, which has generated a dramatic effect on diet plan and awareness of products and remedies, value for money, high quality, and so forth.

3.1.5.2 Stagnations of Conventional Market segments and Development in Professional Niche Marketplaces

A lot of the common markets that have been the spine of many businesses for numerous causes have become stuck. The development possibilities are now arriving in the form of smaller sized, market marketplaces that demand extremely professional development and marketing promotion.

3.1.5.3 Evolution in the Marketing Chain

There are a number of extraordinary adjustments in the marketing sequence as well.

The key types are:

- Attention within the retail store industry, for instance the variety of food suppliers has decreased from 10 to 4 in five a long time which has had a remarkable effect on the market place mainly in terms of the balance of dealing power and the expense of having and keeping submission.
- The beginning of extremely discounters.
- The progress of professional stores.
- The fast development of lead marketing.

- The shift in the direction of central warehousing and circulation.
- The increasing reputation of franchising.
- The decreasing significance of at wholesale prices markets.

Chapter 4

RESEARCH HYPOTHESES

Centered on the theories of the market, the proposed conceptual structure will be focusing on entrepreneurial and technology orientations, organizational learning.

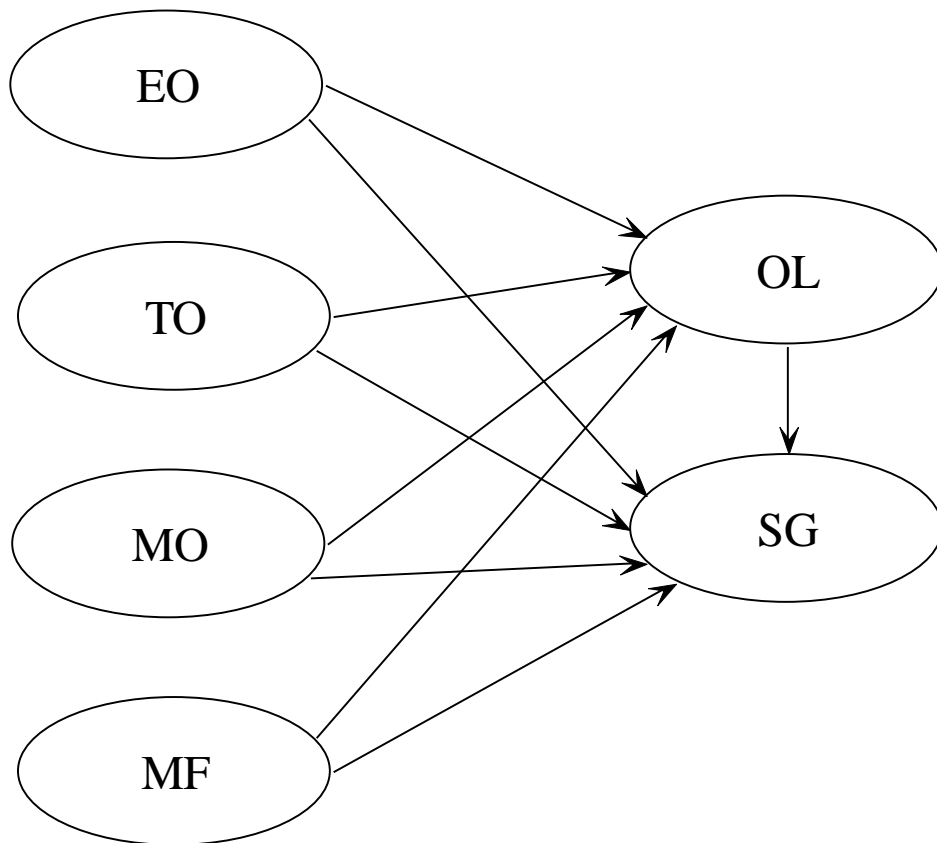


Figure 4.1 Suggested Conceptual Frameworks

H1: Entrepreneurial Orientation is positively related to Organizational Learning ability:

The relationship including EO and organizational learning can be organized into various primary elements. The preliminary standpoint researches the impact of EO in enhancing the efficiency of organizations to create a studying positioning (Anderson et al., 2009). The 2nd aspect of point of look at discusses the certain techniques by indicates of the EO results learning (Lee & Sukoco, 2007). The very last point of view examines the element that EO normally takes on in promotion the use of learning-related routines (Bierly et al., 2009). This point of view appears to importance commonly on how EO produces beneficial knowledge-based outcomes for the organization.

H2: Technical Orientation is favorably associated to Business Learning Ability:

Learning may get position at the personal, crew, firm and market place amounts. As new consequences, developments might display up from new details and information as properly as from the mixture of identified understanding to make style enhancements (Henderson & Clark, 1990), operating with combinative abilities. Major and slower improvements link to big and lower levels of new understanding (Dewar & Dutton, 1986), which contains great and minimal levels of business modification. Understanding indicates creating new details or combining provide information in numerous techniques, studying leads to quality, and so advancement. Advancement will be the by-product of a studying organization. A studying company is contemporary firm. We can take into consideration numerous attributes from our research: Company learning is a method regarding individual, team, organization and inter-organizational stages. Studying is concerned in three phases: exchange, communicating and exploitation of expertise. Order and exploitation bring position in varied steps encouraged recently and impacted by numerous elements turning up

from these related levels. The excess challenging, the more tacit and endemic comprehension is, the much more challenging it will be to obtain and manipulate it. As for any other corporate features, organization studying procedures will be inspired by the approach of the organization.

A profitable learning business provides possible to innovate (Burns & Stalker, 1961), which is the potential of the business to decide on or use new principles, processes, or products and solutions properly (Hurley & Hult, 1998).

H3: Market Orientation is favorably related to Organizational Learning capacity:

Both current market direction and company learning have attained exclusive desire each mutually and separately in the most recent marketing fictional operates. Market direction includes buyer alignment, competitor's direction, and inter-functional co-ordination.

The attitudinal perspective of market alignment looks into the organization likes and dislikes that are appropriate to the generation, circulation of and responsiveness to industry considering capability (Kohli & Jaworski, 1990). The public perspective focuses on business requirements and principles that encourage routines that are trusted with market orientation (Deshpand et al., 1993). Existing study on company learning concerns to understanding trade and thoughts leading to effectiveness enhancing adjustments (Slater & Narver, 1994).

The software and relationships amongst firm learning and market location direction has absolutely added up appreciable awareness (Hunt & Morgan, 1995; Baker &

Sinkula, 1999). (Day, 1994) examined company learning and its element as an antecedent of sector centered steps. This mode of evaluation has recognized that information and facts developing steps enable market route earnings. In compliance to (Slater & Narver, 1995) a learning positioning may improve the create of market direction when an organization which requires in firm learning about buyers, rivals and its surroundings can understand a fruitful market orientation (Day, 1994).

H4: Market forces are in a negative way related to corporate discovering capacity:

The concept of learning is gradually essential to turmoil handling researchers' challenges (Roux, 2000; Simon & Pauchant, 2000). They are looking for for models allowing for a long-term development of business studying all over downturn. Subsequently, like styles keep basically be creating and creating (Roux, 2000). The impediment is to trade the purchased understanding loading from concrete encounters, well-documented by disaster administration experts (in other words, reliable data), to a understanding design in which organization characters will be definitely involved. One particular of the methods to outstanding incorporate this studying seems to be to us to be discovered in company improvement techniques. As (Piotrowski, 2006) showed out, "undoubtedly, OD professionals and professionals will be relied upon by individual and community companies, government companies, small companies and huge corporations". Business progression (OD) will be explained as a procedure getting in contact with after basic public and attitudinal sciences to improve abilities and capabilities of companies more than the prolonged phrase to experience improvements and too much better acquire their objectives (Cummings & Worley, 2005).

H5: Entrepreneurial Orientation is positively related to Sales Growth:

Entrepreneurial Orientation (EO) is important in boosting an SME's contending rewards and performance. Methodical analysts have normally identified that businesses with excess EO execute exceptional (Wiklund, 1999; Baker & Sinkula, 1999). EO leads to company modification and strategic repair by signifies of progression and alliance of organizational resources and competences (Zahra et al., 1999).

An entrepreneurially targeted organization consists of in item imagination, works risky assignments and provides pro-activeness, becoming the initial to show up up to get a new products, programs and supervision approaches (Lumpkin & Dess, 1996; Miller, 1983). Business college students have also used to illustrate the features of SMEs by examining their entrepreneurial orientations (Wiklund et al., 2009; Morenna & Casillas, 2008). EO steps decision-making and routines of SMEs in the route of creating new products and alternatives, new methods of production, new market sections, or difference of the organization into a new industry and thus brings to SME progression.

H6: Technological Orientation is positively related to Sales Growth:

Effects of specialized direction (TO) on SME development are suggested from two perspectives: engineering centered enhancements and successful modifications of new engineering. A engineering focused company is practical in obtaining new technology and uses innovative technology in the development of its new products. It therefore performs exceptionally well in specialized expertise and versatility which are critical individuals for market centered and cutting-edge enhancements (Ali, 1994).

In these kinds of organizations, creativity and progression are the organization specifications and concepts that guideline its steps and methods.

They agree to and frequently inspire personnel with “crazy ideas” or an normal desire in making something new. Such improvements have prospective to make marketplaces, shape consumer's alternatives and modify consumers’ primary activities. Often the changes are so essential that soon after they are executed, people cannot imagine living any other way (Hamel & Prahalad, 1994). Therefore, improvements can play a role noticeably to SME progression. In addition, in a design targeted organization, the rendering of most superior design in day-to-day features turns into as a perfect concern. Appropriately, design targeted SMEs can enhance achievements by means of higher overall performance (e.g. worker functionality and consumer loyalty) in its activities (Reinartz et al., 2005; Mithas & Fornell, 2005). in its measures (Reinartz et al., 2005; Mithas & Fornell, 2005).

H7: Market Orientation is favorably associated to Revenue Development:

The relationship between the market orientation (MO) and organization growth has been reviewed in previously investigation (Cano et al., 2004). Regardless of the reality that some analysis propose bad or non-significant relationships arguing that general overall performance is based after on market situations such as extreme durability, industry and customer characteristics (Jaworski & Kohli, 1993; Kara et al., 2005), most recommend a excellent relationship including MO and organization performance. The importance of a MO for a firm's growth is proven in the rumours that a market focused organization is much better synchronized internal and excellent in its market-sensing and consumer back linking (Agarwal et al., 2003). An effective MO provides a unifying focus within an organization, generating a cooperation which delivers to a more competitive and excellent efficiency (Agarwal et al., 2003).

In comparison to big firms, SMEs have greater flexibility, nearness to customers and marketplaces and can bring out choices more simply (McCartan & Carson, 2003). By indicates of this versatility and deficiency of complexity, SMEs can make more specific communications with their clients, creating aggressive advantages (Tzokas et al., 2001; Hogarth, et al., 1996). Those SMEs that have a more highly effective MO are in a much better place to operate their convenient business design and intimacy to clients in responding to improvements in the industry (Pelham, 2000).

H8: Market causes are adversely related to Sales Development:

In Based to (Voss & Voss, 2000), it is possible to broken down Industry Conditions (MCs) into three groups: need doubt, aggressive strength and market development. Demand doubt applies to market interference that is instantly appropriate to financial economic downturn (crisis, inflation, etc.) and absence of steadiness and change of

client choices. Opponents' durability associates to the stage of opponents that a business encounters within the market. This may be identified by significant techniques, cost issues, heavy marketing, various item solutions and included alternatives (Porter, 1980).

Market growth relates to the enhance in need to have for products because of to existing consumer's enhancing acquiring durability, new customers, new items or increasing needs for higher outstanding items.

H9: Business Learning Capability will exert a important effective influence on the Revenue Growth of tiny and method sized touristic businesses:

The importance of business learning for performance improvement has lengthly been importance in research (Slater & Narver, 1995). There is also extensive medical confirmation for the instant effect of organizational learning or learning alignment on cost-effective as well as non-financial performance, both in the advertising industry (e.g., Baker & Sinkula) and in ideal management literary works (e.g., Ellinger et al., 2002). Nevertheless, as recommended formerly, these methodical reports have mainly been conducted at the individual firm stage, and medical information is proceed to lacking in the collaboration perspective, in one omission, on the other hand (Simonin, 1997).

This knowing can be modified into new items, techniques, and alternatives, which perform a function instantly to the firms' last economic benefits. (Slater & Narver, 1995) declare that an organization which is regularly included in understanding is most likely to stay a superior possibility of tracking and responding to client specifications, recognizing and acquiring apart on market opportunities, and

delivering appropriate and completely particular items, results which guide to fantastic phases of productiveness, sales growth, and customer storage.

By indicates of discovering from each other, colleagues may attain important expertise and exercising on how to avoid repetitious mistakes, how to reduce growth expenses as well as cope costs, and how to enhance the prospective of typical knowing, control, and trouble solving (Lei et al., 1997; Simonin, 1997). All of these theoretical traditions and technological details recommend that the firms' performance to find out from affiliates books to a maintainable improvement in their performance, as determined as an outcome of economical sources.

Chapter 5

METHODOLOGIES AND ANALYSIS

In this chapter multiple regression analysis technique to analyze user interface between ideal orientations, corporate learning and SMEs enhancement in Damascus (Capital of Syria) is displayed. Also, the technique the data collected and investigated is portrayed. Alternatively, the effects of this thesis will be introduced and mentioned.

5.1 Methodology

5.1.1 Deductive Approach

Deductive approach is concerned with developing a hypothesis (or hypotheses) based on existing theory, and then designing a research strategy to test the hypothesis. In other words deductive means reasoning from the particular to the general. If a causal relationship or link seems to be implied by a particular theory or case example, it might be true in many cases.

Deductive technique applied in this research is to examine the hypothesized relationships between ideal alignment ideas. In this analysis, the five suggested ideas (shown in Fig. 4.1) will be analyzed and how the information and facts is acquired in purchase to examine the efficiency of the advised methods.

5.1.2 Sample Study

The reflection for an initial study has been performed with 10 workers from various travel and leisure organizations in Damascus like hotels, dining places, Café's,

traveling organizations, rent a car, gift shops, etc. An initial investigation was analyzed as an appropriate and suitable survey.

Data of this study were collected on July 2010 via the usage of a judgmental testing. As (Judd et al., 1991) have suggested judgmental or calculated choosing, he described it as: "Picking cases that are judged to be common of the population in which we are interested, assuming that errors of the judgment in the selection will tend to counterbalance one another".

For this analysis, we have effectively packed 251 (1 questionnaire per each place) surveys distributed as confirmed in Tables 5.1 and 5.2. The initial stage in doing the research was distributing the surveys to the focus on one by one and describing them the objective of this research. 300 main surveys were distributed individually to the sector owners/managers in Damascus and 270 were collected. 19 forms were partially and therefore ignored from the data evaluation procedure. The response rate was 90% which estimated suitable.

We use Convenience sampling in writing our questionnaire. Convenience sampling is used in exploratory research where the researcher is interested in getting an inexpensive approximation of the truth. As the name implies, the sample is selected because they are convenient. This nonprobability method is often used during preliminary research efforts to get a gross estimate of the results, without incurring the cost or time required to select a random sample.

Table 5.1: Samples of the Study Classified As Their Type and Date of Establishment

Date of establishment	Hotels	Restaurants	Café's	Travel agencies	Rent a car	Gift shops	Tourism retailing
1980-1990	1	3	0	0	0	1	2
1991-2000	14	22	17	5	2	13	16
2001-2010	25	21	26	21	18	15	29
Total	40	46	43	26	20	29	47

Table 5.2: Samples of the Study Classified As Their Type and Age

Age (Years)	Hotels	Restaurants	Café's	Travel agencies	Rent a car	Gift shops	Tourism retailing
20-42	25	24	42	24	20	26	33
43-62	15	22	1	2	0	3	14
Total	40	46	43	26	20	29	47

Table 5.3: Samples of the Study Classified As Their Frequency

	Existing	Selected Sample	Percent
hotels	204	40	15.9
restaurant	130	46	18.3
Café's	110	43	17.1
travel agencies	60	26	10.4
rent car	38	20	8.0
tourist gift shop	60	29	11.6
tourist retailing	1989	47	18.7
Total	2591	251	100

Also, as demonstrated in Table 5.3, provided examples consist of 40 (15.9%) hotels, 46 (18.3%) restaurants, 43 (17.1%) Café's, 26 (10.4%) travel agencies, 20 (08.0%) lease a car, 29 (11.6%) touristic present stores and 47 (18.7%) travel and leisure retailing businesses. Continue to, 4 of the samples have almost the same percentage (hotels, restaurants, Café's and tourist retailing) where the others' percentages are not far away.

5.1.1 Measures

A 251-item set of questions device was used to evaluate the market alignment, technical orientation, business owner orientation, market scenario and studying organization on SMEs progress.

Members were approached from the owners, supervisors, owners and supervisors, at the similar time, and often chiefs of the touristic companies in the analysis content. All the statements have been published in English, which were converted into Arabic with no important modify. All the products appropriate to strategic alignment, organizational learning and market causes were enhanced into the seven-point Liker-

scale format (“1. Strongly disagree”, “2. Disagree”, “3. Weakly disagree”, “4. Neutral”, “5. Weakly agree”, “6. Agree”, “7. Strongly agree”).

5.1.4 Psychometric Properties

The Cronbach coefficient alpha value was 0.94 for the complete range and (0.77), (0.91,3), (0.82,9), (0.84), (0.71) for industry causes, organizational learning, entrepreneurial positioning, technological orientation and market orientation, correspondingly. A coefficient above 0.70 is viewed as sufficient stability for exploratory studies (Nunnally, 1978). The loadings of each variable should be more than 0.50 (Nunnally, 1978). So, our research results show that 10 factors belong to strategic orientation were omitted from the further calculations due to having factor loadings less than 0.50.

5.2 Questionnaires and Measures

In this analysis data were obtained by means of questionnaire composed of two areas, the initial part was the demographic questionnaire which includes conventional information about the members such as age, gender, education degree, worker place and the specific experience. Second part includes scales about the analysis aspects which require: Entrepreneurial Orientation (EO), Technological Orientation (TO), Market Orientation (MO), Market Forces (MF) and Sales Growth (SG).

The factors are reduced as offered here: Entrepreneurial Orientation (EO), Technological Orientation (TO), Market Orientation (MO), Market Forces (MF) and Sales Growth (SG). 7 items computing EO are integrated by (Hakala, H. (2011), 4 items testing for being applied from Altinay et al., (2012), MO with 5 items are implemented from Hakala, H. (2011), and the remaining of the variety items such as, organizational learning (OL) measured in 8 and Sales Growth (SG) (3) items

centered on the appropriate research in the literary performs and applied from Hakala, H. (2011).

Seven-point Likert scale varying from “7” Certainly agree to “1” Totally disagrees was applied for all items. Entrepreneurial Respondent asked to indicate their degree of agreement for each statement.

5.3 Regression Analysis

Several regression research was utilized to determine out the impact of each separate varying on the reliant varying. The five separate parameters were acquired from 251 questionnaire designed and used by (Arasli et al., 2006; Arasli (2002, 2004); Abdalla et al., 1998; Babin & Boles, 1998; Tsaur & lin, 2002). Regression research can be defined as “the strategy used to generate an formula that shows the requirements factors to one or more forecaster factors which are held set at numerous levels” (Churchill, 1985).

The regression system of the analysis is as follows;

$$Y=a+b_1(X_1) +b_2(X_2) +b_3(X_3) +b_4(X_4) - b_5(X_5) +E$$

where

$$Y_1=R$$

Y=dependent variable, Sales Growth (SG)

A=Intercept or constant value

B₁, B₂, B₃, B₄, B₅= are the Coefficients (slope) of the independent

variables

X₁=Independent variable one, Entrepreneurial Orientation (EO)

X₂=Independent variable two, Technological Orientation (TO)

X₃= Independent variable three, Market Orientation (MO)

X₄=Independent variable four, Organizational Learning Ability (OL)

X₅= Independent variable five, Market Forces (MF)

E= Error Term

5.4 Descriptive Analysis and Results

5.4.1 Sample Profile

The research has been designed and several regression research in SPSS 13.0 has been used for the examining the hypothesized connections (Joreskog & Sorbom, 1996). Desk 5.4 reveals the complete of individual which was 251 (69 Women and 182 Male) from the frontline workers in method and little scaly travel and leisure companies in Damascus, Syria with a response quantity of 90% %. More than 77 % of the workers were between the age team "20-42" and 22.7 % between "43-62". Most of the individual around 61 % had specific university and undergraduates and 38.6 % had Additional School and Great School.

Table 5.4: Demographic Breakdown of the Sample (n = 251)

	F	%
Gender		
Female	69	27.49
Male	182	72.51
Total	251	100
Position		
Frontline Employees	251	100
Total	251	100
Age		
20-42	194	77.29
43-62	57	22.71
Total	251	100
Education		
Secondary School and High School	97	38.65
Technical School (2 Years)	131	52.19
Undergraduate	23	9.16
Total	251	100

5.4.2 Factor Analysis

In analyzing the psychometric features of the information gathered problems of balance, convergent and differentiate reliability are considered. On the other hand, provide assistance for the problem of convergent validity, repaired item total correlations was calculated. The range products, connection and balance ratings as proven in Table 5.5. Reliability coefficients were measured for every research varying and for all factors products. Generally, these results light up that each coefficient exceeds the cut-off value 0.70 as suggested by (Nunnally, 1978).

Table 5.5: Scale Items and Factors Analysis

Scale Items	Corrected Items Total Loadings	Fbach Alpha
Entrepreneurial Orientation (EO)		0.82
In general, our firm favors a strong emphasis on research & development, technological leadership, and innovations	0.670	
We believe, owing to the nature of the environment, that bold, wide-ranging acts are necessary to achieve our firm's objectives	0.640	
We are willing to try new ways of doing things and seek unusual, novel solutions	0,713	
We encourage people to think and behave in original and novel ways in our firm	0,756	
We support the efforts of individuals and/or teams that work autonomously as compared with requiring individuals and/or teams to rely on managers to guide their work	0,865	
We expect individuals/teams pursuing business opportunities to justify their actions throughout the development process (as compared with encouraging them to proceed without having to justify their actions at every stage of development)	0,891	
In our firm, managers/owners play a major role in identifying and selecting the entrepreneurial opportunities our firm pursues	0,659	
Technology Orientation (TO)		0.84

We use sophisticated technologies in our new product development	0,741	
Our new products always use state-of-art technology	0.742	
Technological innovation based on research results is readily accepted in our firm.	0.681	
Technological innovation is readily accepted in our program/project management.	0.648	
Market Orientation (MO)		0.71
We constantly monitor our level of commitment and orientation to serving customer needs.	0,407	
We target customers where we have an opportunity for competitive advantage	0,716	
Our top managers discuss competitors' strategies.	0,677	
We freely communicate about our successful and unsuccessful customer experiences across all business functions	0,756	
All of our business functions contribute to the creation of value for target customers	0,760	
Organizational Learning Ability (OL)		0.91
All our employees have generalized knowledge regarding this firm's objectives.	0,764	
All parts that make up this firm (departments, sections, work teams, and individuals) are well aware of how they contribute to achieving the overall objectives.	0,854	
All parts that make up this firm are interconnected, working together in a coordinated fashion.	0,847	
Our firm follows up what other firms in the sector are doing, adopting those practices and techniques it believes to be useful and interesting.	0,608	
Experiences and ideas provided by external sources (advisors, customers, training firms, etc.) are considered a useful instrument for this firm's learning.	0,736	
Part of our firm's culture is that employees can express their opinions and make suggestions regarding the procedures and methods in place for carrying out tasks.	0,792	
O Lp3q13 Errors and failures are always discussed and analyzed in this firm, on all levels	0,800	
O Lp3q14 Employees have the chance to talk among themselves about new ideas, programs, and activities that might be of use to the firm.	0,831	
Market Forces (MF)		0.77
Over the last 5 years, we see that in the industry where our brand operates, the diversity in production technology has dramatically increased	0,909	
Over the last 5 years, we see that in the industry	0,899	

where our brand operates, the leading firms have introduced state-of-art products into the market.		
This market is too competitive, price wars often occur.	0,698	
Sales growth (SG)		0.72
What was the sales turnover for the start-up year?	0,971	
What was the sales turnover for your best business year?	0,950	
What was the sales turnover for 2009?	0,992	
Notes: All the items are measured on the Seven-point Liker scale ranging from 7= Totally agree, to 1= Totally disagree; all loadings are significant at the 0.01 level or better. All internal reliability estimates are above the .070 cut off value.		

5.4.3 Regression Results

Independent variables: Entrepreneurial Orientation (EO), Technology Orientation (TO), Market Orientation (MO), Organizational learning (OL), Market forces (MF) were applied to estimate the dependent variable Sales growth (SG).

Table 5.6, reveals the regression outcomes for models 1, 2 and 3. Model 1 is a multiple regression model calculating the results of antecedents on Organizational Learning Capability. To be able to carry out multiple regression analysis the measurements of Entrepreneurial Orientation (EO), Technology Orientation (TO), Market Orientation (MO), and Market Forces (MF) were obtained as the independent variables. Organizational Learning Ability (OL) was taken as the dependent variable

In Model 1, Y is the Organizational Learning Ability (OL) level of the small and medium sized organization in Damascus, Syria. All of the dimensions in Model 1 except from Technology Orientation (TO) and marketing forces (MF) are statistically considerable and have results on the Organizational Learning. For example Entrepreneurial Orientation (EO) exert a considerable positive effect on OL ($\beta = 0.295$). Market Forces (MF) show a minor negative effect on OL ($\beta = 0.068$). Market

Orientation (MO) also points a significant positive effect on OL ($\beta = 0.859$). Finally, (TO) puts an insignificant effect on OL ($\beta = 0.022$). Model 2 shows the Sales Growth level seems to have a statistically significant relationship with EO, MO and has negative but insignificant influence from MF. Model 3 shows the organizational learning ability (OL) level seems to have a statistically significant and positive effect on Sales Growth (SG). Model 1:

$$OL = 5.180 + 0.295(EO) + 0.022(TO) + 0.1859(MO) - 0.068.$$

$$SG = 5.838 + 0.474(EO) + 0.057(TO) + 0.315(MO) - 0.069(MF).$$

$$SG = 10.882 + 0.144(OL).$$

5.4.4 Assumptions:

- Normality: Kolmogorov-Smirnov Statistics $0.10 < 0.12$ at a major rank of 0.001 where error terms (residuals) are normally distributed.
- Linearity: long-established by the analysis of partial regression plots where error terms of regression models are the same (homoscedastic).
- Homoscedasticity: established by the analysis of partial regression plots
- Independence of Residuals: Durbin-Watson test, score = 1.868

Table 5.6: Results of Multiple Regression Analysis

Variables	Coefficient	T-statistic	
Model 1			
OL = 5.180+0.295(EO) + 0.022 (TO)+ 0.1859(MO)-0.068 (MF)			
Constant		5.180	
(EO)	0.295	4.168	Accept
(TO)	0.022	0.302	Reject
(MO)	0.859	9.126	Accept
(mf)	0.068	1.270	Reject
R ²	0.525		
F	67.951		
Model 2			
SG = 5.838+0.474(EO) + 0.057 (TO)+ 0.315(MO)-0.069 (MF)			
Constant		5.838	
(EO)	0.474	5.108	Accept
(TO)	0.057	0.602	Reject
(MO)	0.315	3.918	Accept
(mf)	0.069	0.976	Reject
R ²	0.180		
F	13.476		
Model 3			
SG = 10.882+0.144 (OL)			
Constant		10.882	
(OL)	-0.144	-2.289	Accept
R ²	0.210		
F	5,239		
Notes: P<0.000 ^a Model 1: Predictors (Constant), EO, TO,MO, OL, MF Model 2 : Predictors (Constant)			

By looking Table 5.8, we will find that the regression assessment was initially confirmed by examining the logic of normality, linearity, homoscedasticity, and freedom of toxins. The tests show that “the residual are generally distributed about the forecaster based mostly variable score, residuals have s line immediately line connection with the expected dependent varying ratings, and the deviation of

residuals about expected dependent varying results is the same for all expected scores” (Tabachnick & Fidell, 1996).

Furthermore, there is no evidence of multicollinearity problem, (see table 5.7) which implies that each building up index is lower than 30, and at least two difference ratios are lower than 0.50 (Tabachnick & Fidell, 1996).

Table 5.7: Multicollinearity Statistics

Dimensions	Condition		Variable Proportions				
	Index	Constant	EO	TO	MO	MF	OL
1	1.000	0.00	0.00	0.00	0.00	0.00	0.00
2	18.023	0.00	0.22	0.02	0.00	0.50	0.07
3	21.150	0.00	0.59	0.07	0.06	0.28	0.15
4	20.427	0.01	0.02	0.03	0.21	0.12	0.55
5	25.704	0.00	0.04	0.57	0.39	0.09	0.03
6	48.596	0.98	0.13	0.31	0.33	0.01	0.09

Notes: There is no evidence of multicollinearity problem since each conditioning

According to the hypotheses put forward in this research, the multiple regression analysis results show that H1, H3, H5, H7, H9 were accepted and H2, H4, H6 and H8 were rejected (See Figure 5.1).

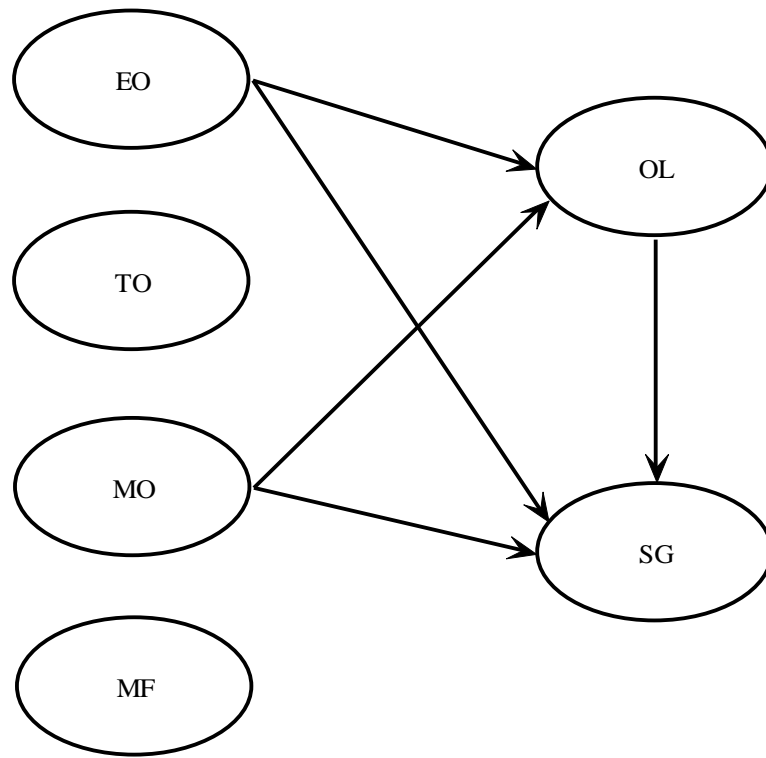


Figure 5.1: Revised Conceptual Model

Chapter 6

DISCUSSION

In this chapter the discussion of the study is presented, followed by the managerial implications as well as the limitations and implications for further research.

6.1 Discussion

The crucial objective of this research was to analyze empirically some of the hypotheses produced from the evaluation of the interface among SO, OL and SMEs' Growth. In this section, we discuss the results achieved in our research.

This thesis designed and tested expands the controversy about the current models which associate EO with OL capability. By the results of Table 5.8, there is a considerable connection between EO and OL. This is completely in agreement with outcomes obtained by (Liu et al., 2002) since he shows that when learning orientation was the dependent variable, estimated standardized coefficient for corporate entrepreneurship was 0.22 ($p < 0.01$). Add to this, corporate entrepreneurship are cultural antecedents of organizational learning, and learning orientation partly or fully mediates the impacts of corporate entrepreneurship on outcome.

The outcomes of this research differ, to an extent, with (François, 2002) who analyzed the relationships between TO and OL and discovered considerable relationship. This is because of the point that incorporating new knowledge in the

corporation brings to more innovation and clients generally look for new technology. Additionally to that, In words of market orientation, the results of this research disagree with (Daniel et al., 2007) who identified unfavorable relationship between MO and OL due to the fact that the key sources sustain that market orientation comes before organizational learning. Although there are several important variations among them, either of the concepts include the development of beneficial knowledge for the firms or organizations. This knowledge is a main factor for retaining of companies that function in the present unsettled situations, and therefore is a resource of sustaining cut-throat benefit according to the resource centered view.

The empirical conclusions of this research assist our hypothesis, which declare that there is a positive relationship between EO and SG since EO pushes decision-making and actions of SMEs toward developing new goods, new methods of development, new markets, or diversification of the enterprise into a new industry and thus brings to SME growth. (Soininen et al., 2011) obtained the same result. In the other hand, (Moreno and Casillas, 2008) did not find a direct influence between EO and firm growth to be significant. However, their results suggested that there is an indirect relationship via the mediating and moderating role of other variables such as strategy, environment, or resources of the firm.

Although (Gao et al., 2007) identified significant relationship between TO and SG and described that when technology changes quickly, a technology orientation increases firm performance. Therefore, in times of higher technological turbulence, it is more suitable to consider a technology orientation and present new products to guide and shape client preferences and demands, our study offers that there is no

considerable relationship between them since Syria is a developing country and there is no much interest in technology. Moreover, we accomplished considerable relationships between MC and OL since organizational learning help us to transfer knowledge to be appropriate for market changing like crisis, there are some studies support our finding like (carmeli & Schaubroeck, 2008).

The connection between the MO and organization growth has been examined in previous studies (Jaworski & kohli, 1993) and they obtained the result that there is considerable relationship between MO and SG that supports our results, we described that a strong MO presents a unifying emphasis within an organization, developing a collaboration which leads to a more competitive and superior performance. Add to this, (Vijande, M. S., 2005) supported our result since his technique allows assessing the existing relationships among the market orientation, the business results obtained, the firm's trust in a strategic customer, the firm's affective commitment to this customer and the firm's willingness to continue a long-term relationship with that customer .As a result of the efficiency of a firm's orientation is conditioned by the nature of its market, there is trivial relationship between MC and SG. There is some studies disagree with this relationship like (Frank, 2004) who said inflation affects market participants' economic activities. It generates risks for nominal contracts such as loans, pensions and pay settlements. Long-term contracts, such as investment financing or collective pay agreements which run for a number of years, are exposed to the risk that one of the parties to the agreement might inadvertently be placed at a disadvantage. In this kind of environment creditors demand risk premiums – with all the consequences this has for the cost of capital.

Finally, like what we observed, the effect of OL on SG is substantial; (Daniel, 2007) supported our results because those organizations which promote organizational learning enhance their leading position and performance. So organizational learning has an important and straight impact on performance. Add to this, companies which strengthen their ability to acquire the information of customers and other agents and try to satisfy their needs are going to encourage the processes of acquiring external and internal knowledge, distributing and interpreting this knowledge and finally save it in organizational memory.

6.2 Managerial Implications

Managing and monitoring strategic orientation provide a number of significant visions for managers. The key managerial implications of this study emphasize on:

First, learning is prominent over other sources due to the fact just learning enables firms to maintain longstanding competing benefit by consistently enhancing market information producing activities at a swifter rate than competitors. Along with that, OL motivates the knowledge developing method, enables an organization to provide new products, and to enhance their competing position. These should inspire managers to design their organizations with common organizational image and open-minded approaches to problem solving, organizational philosophy and strategy that create learning, group interaction and other human resource management methods which motivates the creation of new knowledge.

Second, managers should make investments in market research, evaluate the results of shifts in the business environment or be in touch with clients to know what they feel about their products and solutions. In contrast, the

interaction around the organization will inspire the employees to be mindful of the specifications of customers and the challenges in the market.

Third, managers should emphasis more to EO since EO is essential in enhancing an SME's reasonably competitive advantage and effectiveness. Putting to that, EO pushes decision-making and behaviors of SMEs towards developing new products, new techniques of production, new markets, or variation of the business into a new market and thus brings to SME growth.

Fourth, managers should be conscious of market situation, since market variations like crisis and inflation would impact the company performance and cause to loss in the profit.

Finally, managers should pay more focus to considering that customers look for newest technology; managers should work hard and make new strategies and ideas to undertake new technology and always deliver new products and services.

6.3 Limitations and Implications for Further Research

In any research there should be restrictions. In this research, we are expecting to experience many constraints. Firstly, only subjective information from the questionnaire for measuring company results will be taken into consideration, thereby limiting this study. Moreover, there may be other aspects which have not being involved in this study which consequently affect organizational learning and market orientation. Taking into account these limitations; this study points to the need to explore new methods of research. It would be interesting to increase the survey to other countries since national culture problems might impact the way organizations learn. Add to this, every country should be studied separately. Another possible research direction

could examine intensively the intermediate role of innovation in the relationships between organizational learning, market orientation and organizational performance (Hult & Ketchen, 2001). In this case, new knowledge enables organizations to introduce innovative products and processes or improve existing ones more efficiently and effectively (Nonaka & Takeuchi, 1995). Thus, innovation could explain the performance gap of market orientation. This research was done before the Syrian internal war. Due to what happening nowadays, this research can be more informative if repeated according to the new population and remaining SMEs when the war is over.

Chapter 7

CONCLUSION

In this thesis, the results of the technology orientations, organizational learning and market circumstances on the development of SMEs in Syria have been analyzed. The impact of strategic orientation (market, entrepreneurial and technology) on organizational learning and growth of the SMEs in Syria has been mentioned. Also, whether the impacts of the three strategic orientations on the Syrian SMEs development would be varying due to the change of market conditions or not has been discussed in detail.

Data of this study was accumulated from SMEs operating in hospitality industry in the Syrian market by a allocated a questionnaire in hand; the questionnaire had many questions varying 1 to 7, where 1 corresponds to strongly disagree and 7 to strongly agree, respectively. The suggested research model of this study was tested via Structural Equation Modeling. This study offers suggestions to the SMEs owners in Syria on how to gain a competitive edge and maintain it by means of improving their learning capacity and strategic orientations under different market conditions.

Primarily based on the collected data and the analyses done, four of the proposed hypotheses in our model (H2, H4, H6 and H8) were rejected. On the other hand, five of them (H1, H3, H5, H7 and H9) were accepted. The purpose of this study is to

identify how market, entrepreneurial and technology orientations influence the growth of SMEs, examine the role of organizational learning and market conditions on the growth of SMEs, and develop recommendations to entrepreneurs, community networks, business advisers, and government policy-makers the facilitation of SME growth and the role of organizational learning enabling SMEs' market, entrepreneurial and technology orientations.

REFERENCES

- Abdalla, H., Maghrabi, A. and Raggad, B. (1998), 'Assessing the perceptions of human resource managers toward nepotism: A cross-cultural study', *International Journal of Manpower*, 19(8), 554-570.
- Abdullah, S. K., Cano, J., Descals, E. and Guarro, J. (1998), 'A new species of *Helicoon* from Mallorca, Spain', *Mycologia*, 90, 916-920.
- Acs, Z. J, Audretsch, D. B. (1987), 'Innovation, market structure, and firm size', *The Review of Economics and Statistics*, 69(4), 567-74.
- Acs, Z. J. and Audretsch, D. B. (1991), *Innovation and Technological Change: An International Comparison*, New York, Harvester Wheat sheaf.
- Agarwal, S., Erramilli, M. K. and Dev, C. (2003), 'Market orientation and performance in service firms: role of innovation', *Journal of Services Marketing*, 17(1), 68-82.
- Ali, A. (1994), 'Pioneering versus incremental innovation: review and research propositions', *Journal of Product Innovation Management Journal*, 23(8), 667-688.
- Altınay, L., Madanoğlu, M. and Araslı, H. (2012), 'The interface between learning capability, entrepreneurial orientation and SME Growth in North Cyprus'. The 2nd INBAM Conference, Valencia, March.

Amato, L., Ryan, J. M. and Wilder R. P. (1981), 'Market structure and dynamic performance in US manufacturing', *Southern Economic Journal*, 47(4), 1105–10.

Anand, V., Manz, C. C. and Glick, W. H. (1998), ' An organizational memory approach to information management', *Academy of Management Review*, 23 (4), 796–809.

Anderson, B., Covin, J. and Slevin, D. (2009), 'Understanding the relationship between entrepreneurial orientation and strategic learning capability: An empirical investigation', *Strategic Entrepreneurship Journal*, 3, 218–240.

Aragon, C. J. A., Garcia, M. V. J. and Cordon, P. E. (2007), 'Leadership and organizational learning's role on innovation and performance: lessons from Spain', *Industrial Marketing Management*, 36 (3), 349–359.

Arasli, H. (2000), 'TQM Perception of Turkish Republic of Northern Cyprus Hotel Enterprises: An Empirical Analysis', 3rd. International Congress on Cyprus Studies, November, Famagusta, T.R.N.C.: Eastern Mediterranean University, Center for Cypriot Studies.

Arasli, H. (2002), 'Gearing Total Quality into Small-and Medium-Sized Hotels in Northern Cyprus', *Journal of Small Business Management*, 40 (4), 350-359.

Arasli, H., Bavik, A. and Erdogan, H. E. (2006), 'The effects of nepotism on human resource management: The case of three, four and five star hotels in Northern Cyprus', *International Journal of Sociology and Social Policy*, 26 (7/8), 295 – 308.

Arasli, H. and Lillia, A. (2004), 'No More Tears: A Local TQM Formula Health Promotion', *International Journal of Health Care Quality Assurance*, 17(3), 135-145.

Argyris, C. and Schön, D. A. (1978), *Organizational learning*, Reading, MA: Addison-Wesley.

Argyris, C. and Schön, D.A. (1996), *Organizational Learning II: Theory, Method and Practice*, Addison-Wesley, Reading, MA.

Babin, B. J. and Boles, J. S. (1998), 'Employee Behavior in a Service Environment: A Model and Test of Potential Differences between Men and Women', *Journal of Marketing*, No: 62(2), pp. 77-91.

Baker, W. E. and Sinkula, J. M. (1999), 'The Synergistic Effect of Market Orientation and Learning Orientation on Organizational Performance', *Journal of the Academy of Marketing Science* 27(4), 411-427.

Barney, J. B. (1991), 'Firm resources and sustained competitive advantage', *Journal of Management* 17, 99–120.

Barrett, H. and Weinstein, A. (1997), 'Corporate entrepreneurship, the marketing mix, and business performance', Conference of the Academy of Marketing Science, May, 144-150.

Berchiolli, D. (1998), 'Technology-Making a mark in the hospitality industry', *Lodging Hospitality*, 54 (5), R10.

Bertschek, I. and Entorf, H. (1996), 'On nonparametric estimation of the Schumpeterian link between innovation and firm size: evidence from Belgium, France and Germany', *Empirical Economics*, 21(3), 401-26.

Bierly, P., Damanpour, F. and Santoro, M. (2009), 'The application of external knowledge: Organizational conditions for exploration and exploitation', *Journal of Management Studies*, 46(3), 481-509.

Burgelman, R. A. (1983), 'A process model of internal corporate venturing in the diversified major firm', *Administrative Science Quarterly*, 28(2), 223-244.

Burns, T. and Stalker, G. M. (1961), *The Management of Innovation*, Tavistock, London.

Cano, R. C., Carrilat, A. F. and Jaramillo, F. (2004), 'A meta-analysis of the relationship between market orientation and business performance: evidence from five continents', *International Journal of Research in marketing* 21, 179-200.

Carmeli, A. and Schaubroeck, J. (2008), 'Organisational Crisis- Preparedness: The Importance of Learning from Failures', *Long Range planning*, 41, 177-196.

Chakrabarti, A. K. (1989), 'Technology indicators: conceptual issues and measurement problems', *Journal of Engineering and Technology Management* 6, 99–116.

Chervenak, L. (1993), 'Hotel technology at the start of the new millennium', *Hospitality Research Journal*, 17, 115-120.

Child, J. (1972), 'Organization structure, environment, and performance: The role of strategic choice', *Sociology*, 6, 1-22.

Christopher, M., Payne, A. and Ballantyne, D. (1991), *Relationship Marketing*, Oxford: Butterworth-Heinemann.

Churchill, K. T., (May, 1985), 'Private Communication, Drug Enforcement Administration, Forensic Sciences Section', 61-62.

Cline, S. R. (August, 1996), 'A view to the millennium', *Lodging Hospitality*, 20-28.

Cline, S. R. (December, 1997), 'Investing in technology', *Lodging Hospitality*, 53, 45-47.

Cohen, M. D. (1991), 'Individual learning and organizational routine: emerging connections', *Organization Science*, 2 (1), 135–139.

Cohen, W. M. and Klepper, S. (1996), 'Firm size and the nature of innovation within industries: the case of process and product R&D', *The Review of Economics and Statistics*, 78(2), 232–43.

Cohen, W. M. and Mowery, D. (1987), 'Firm size and R&D intensity: a re-examination', *Journal of Industrial Economics*, 35, 543–65.

Collins, G. R. and Malik, T. (1999), *Hospitality Information Technology*, Dubuque, Iowa: Kendall/Hunt Publishing Company.

Cooper, A. C. and Dunkelberg, W. C. (1986), 'Entrepreneurship and paths to business ownership', *Strategic Management Journal*, 7: 53-68.

Covin, J. G., and Slevin, D. P. (1989), 'Strategic management of small firms in hostile and benign environments', *Strategic Management Journal*, 1, 75-87.

Covin, J. G. and Slevin, D. P. (1991), 'A conceptual model of entrepreneurship as firm behavior', *Entrepreneurship: Theory and Practice*, 16(1), 7-24.

Crossan, M., Lane, H. W. and White, R. E. (1999), 'An organizational learning framework: from intuition to institution', *Academy of Management Review*, 24 (3), 522–537.

Cummings, T. G. and Worley, C. G. (2005), *Organization Development and Change*, Thomson South-Western.

Cyrrhus Tours, (1998), http://www.cyrrhus.com/ginfo_sy.htm.

Dalgic, T. (1998), 'Dissemination of Market Orientation in Europe', *International Marketing Review*, Vol.15, No 1, p. 45-60.

Daniel, J. J. Juan, G and Cegarra, N. (2007), 'The performance effect of organizational learning and market orientation', *Industrial Marketing Management*, 36, 694–708.

Day, G. S. (1994), 'Continuous Learning about Markets', *California Management Review*, 36(4), 9–31.

Deng, S. & Dart, J. (1994), 'Measuring market orientation: A multi-factor, multi-item approach', *Journal of Marketing Management*, 10, 725-742.

Deshpande R., Farley J. U. and Webster F. (1993), 'Corporate culture, customer orientation, and innovativeness', *Journal of Marketing*, 57, 23-37.

Dess, G. G., Newport, S. and Rasheed, M. A. (1993), 'Configuration research in strategic management: key issues and suggestions', *Journal of Management*, 19(4), 775–795.

Dewar, R. D. and Dutton, J. E. (1986), 'The adoption of radical and incremental innovations: an empirical analysis', *Management Science*, 32, 1422–1433.

DiBella, A., Nevis, E. and Gould, J. (1996), 'Understanding organizational learning capability', *Journal of Management Studies*, 33, 361–379.

Ellinger, A. D., Ellinger, A. E., Yang, B. and Howton, S. W. (2002), 'The Relationship between the learning organization concept and firms' financial performance: An empirical assessment', *Human Resource Development Quarterly*, 13(1), 5–21.

Encyclopedia of the Nations, (2007), <http://www.nationsencyclopedia.com/economies/Asia-and-the-Pacific/Syria.html>.

Ettlie, J. E., Bridges, W. P. and O'Keefe, R. D. (1984), 'Organization strategy and structural differences for radical versus incremental innovation', *Management Science*, 30, 682–695.

Fiol, C. M., and Lyles, M. A. (1985), 'Organizational learning', *Academy of Management Review*, 10 (4), 803–813.

Fiol, C. M. (1994), 'Consensus, diversity, and learning in organizations', *Organization Science*, 5(3), 403–420.

Flood, R. L. (1998), 'Fifth discipline: review and discussion', *Systemic Practice and Action Research*, 11(3), 259–273.

Foreign and commonwealth office, (retrieved 2012), <http://www.fco.gov.uk/en/travel-and-living-abroad/travel-advice-by-country/middle-east-north-africa/syria/>.

Francois, T. (2002), 'Organizational Learning and Innovation in High-Tech Small Firms', Proceedings of the 36th Hawaii International Conference on System Sciences (HICSS'03).

Frank, B., (2004) 'Inflation and equity prices' *Economy and Market*.

Gao, G. Y., Zhou, K. Z. and Yimb, C. K. (2007), 'On what should firms focus in transitional economies? A study of the contingent value of strategic orientations in China' *Intern', Journal of Research in Marketing*, 24, 3–15.

Gatignon, H. and Xuereb, J. M. (1997), 'Strategic orientation of the firm and new product performance', *Journal of Marketing Research*, 34(1), 77–90.

Global Politician, (2004), <http://www.globalpolitician.com/15-syria--lebanon>.

Grant, R. M. (1996), 'Toward a knowledge-based theory of the firm', *Strategic Management Journal*, 17, 109–122.

Gray, B., Matear, S., Boshoff, C. and Matheson, P. (1998), 'Developing a better measure of market orientation', *European Journal of Marketing* 32(9/10), 884±903.

Greenley, Gordon E. (1995), 'Market orientation and Company Performance: Empirical Evidence from UK: Companies', *British Journal of Management*, Mar95, 6(1), 1-14.

Guo, C. (2002), 'Market orientation and business performance', *European Journal of Marketing* 36(9-10), 1154-1163.

Hamel, G., and Prahalad, C. K. (1994), *Competing for the future*, Boston: Harvard Business School Press.

Harris, L. C. (2002), 'Developing Market Orientation: An Exploration of Differences in Management Approaches', *Journal of Marketing Management*, 18(7/8), 603-632.

Henderson, R. M. and Clark, K. C. (1990), 'Architectural innovation: the reconfiguration of existing product technologies and the failure of established firms', *Administrative Science Quarterly*, 35, 9-30.

Hakala, H. (2011), 'Strategic Orientations in Management Literature: Three Approaches to Understanding the Interaction between Market, Technology, Entrepreneurial and Learning Orientations', *International Journal of Management Reviews*, Vol. 13, 199–217

Hisrich, R. D. and Peters, M. P. (1989), *Entrepreneurship: Starting, developing, and managing a new enterprise*, Homewood, IL: Irwin.

Hodge, B. J., Anthony, W. P. and Gales, L. M. (1998), *Organization Theory: A Strategic Approach*, Prentice-Hall-Simon & Schuster.

Hogarth, S. S., Watson, K. and Wilson, N. (1996), 'Do small businesses have to practice marketing to survive and grow?', *Marketing Intelligence and Planning*, 14(1), 6-18.

Huber, G. P. (1991), 'Organizational learning: the contributing processes and the literatures', *Organization Science*, 2, 88-115.

Hult, G.T., Ketchen D. J. J. (2001), 'Does market orientation matter? A test of the relationship between positional advantage and performance', *Strategic Management Journal* 22, 899-906.

Hunt and Morgan, R. M. (1995), 'The Comparative Advantage Theory of Competition', *Journal of Marketing*, 59(2), 1-15.

Hurley, R. F. and Hult, G. T. (1998), 'Innovation, Market Orientation, and Organizational Learning: an integration and empirical examination', *Journal of Marketing*, 62, 42-54.

Jaworski, B. J. and Kohli, A. (1993), 'Market orientation: antecedents and consequences', *Journal of Marketing*, 57, 53-70.

Joreskog and Sorbom (1996). *LISREL 8: Structural Equation Modeling with the SIMPLIS Command Language*, Chicago: Scientific Software International.

Judd, C. M. et al. (1991), *Research Methods in Social Relations*, New York, Holt.

Kamien, M. I. and Schwartz, N. L. (1975), 'Market structure and innovation: a survey', *Journal of Economic Literature*, 13(1), 1–37.

Kara, A., Spillan, J. E., and DeShields, O. W. (2005), 'The effect of a market orientation on business performance: A study of small-sized service retailers using MARKOR scale', *Journal of Small Business Management*, 43(2), 105-118.

Karloef, B. (1993), *Key Business Concepts*, London : Routledge.

Kasavana, L. M. (1991), 'The impact of new technology', *Restaurant Business*, 90, 64-65.

Kasavana, L. M. (1997), *Managing Computers in the Hospitality Industry*, East Lansing, MI: Educational Institute of the American Hotel and Motel Association.

Ketchen, D. J., Combs, J. G., Russell, C. G., Shook, C., Dean, M. A. and Runge, J., et al. (1997), 'Organizational configurations and performance: a meta-analysis', *Academy of Management Journal*, 40(1), 1–18.

Kohli, A. K, Jaworski, B. J. (1990), 'Market Orientation: The construct, research propositions, and managerial implications', *Journal of Marketing*, 54(2), 1-18.

Kohli, A. K. Jaworski, B. J. and Kumar, A. (1993), 'MARKOR: A measure of market orientation', *Journal of Marketing Research*, 30(4), 467-478.

Lado, N. Maydeau, O. A. and Rivera, J. (1998), 'Measuring market orientation in several populations – A structural equations model', *European Journal of Marketing*, 32(1/2), 32-49.

Lafferty, B. A. and Hult, T. M. (2001), 'A synthesis of contemporary market orientation perspectives', *European Journal of Marketing*, 35(1/2), 92-109.

Lee, L. and Sukoco, B. (2007), 'The effects of entrepreneurial orientation and knowledge management capability on organizational effectiveness in Taiwan: The moderating role of social capital', *International Journal of Management*, 24(3), 549–572.

Lei, D., Slocum, J. W., Jr., and Pitts, R. A. (1997), 'Building cooperative advantage: Managing strategic alliances to promote organizational learning', *Journal of World Business*, 32(3), 203–223.

Leonard, B. D. (1992), 'The factory as a learning laboratory', *Sloan Management Review*, 34(1), 23–38.

Liu, S. S., Luo, X. and Shi, Y. (2002), 'Integrating Customer Orientation in Organizations –in- Transition: An Emprical Study', *International Journal of Research in Marketing*, 19, 367-382.

Lukas, B. A., Hult, G. T. M, and Ferrell, O. C. (1996), 'A theoretical perspective of the antecedents and consequences of organizational learning in marketing channels', *Journal of Business Research*, 36, 233–244.

Lumpkin, G. T., and Dess, G. G. (1996), 'Clarifying the entrepreneurial orientation construct and linking it to performance', *Academy of Management Review*, 21(1):135–172.

Lunn, J. (1982), 'Research and development and the Schumpeterian hypothesis: alternate approach', *Southern Economic Journal*, 49(1), 209–17.

MacMillan, I. C. and Day, D. L. (1987), 'Corporate ventures into industrial markets: Dynamics of aggressive entry', *Journal of Business Venturing*, 2(1), 29-39.

Made In Syria, (retrieved 2011), <http://www.made-in-syria.com/history-of-syria.html>.

McCartan, Q. D. and Carson, D. (2003), 'Issues which impact upon marketing in small firms', *Small Business Economics*, 21(2), 201-213.

McCarthy, E. J., Perreault, W. D., Jr. (1984), *Basic Marketing*, 8th ed., Homewood, IL: Richard D. Irwin, Inc.

Miles, R. E. and Snow, C. C. (1978), *Organizational strategy, structure and process*, New York: McGraw Hill.

Miller, D. (1983), 'The correlates of entrepreneurship in the three types of firms', *Management Science*, 29 (7), 770-91.

Miller, D. (1993), 'The architecture of simplicity', *Academy of Management Review*, 18 (1), 116–138.

Mintzberg, H. (1973), 'Strategy making in three modes', *California Management Review*, 16, 44–53.

Mithas, S., Krishnan, M. S. and Fornell, C. (2005), 'Why do consumer relationship management applications affect customer satisfaction', *Journal of Marketing*, 69 (October), 201-209.

Moore, M. (2005), 'Towards a confirmatory model of retail strategy types: an empirical test of miles and snow', *Journal of Business Research*, 58(5), 696–704.

Moreno, A. and Casillas, J. (2008), 'Entrepreneurial Orientation and Growth of SMEs: A Causal Model', *Entrepreneurship: Theory and Practice*, 32 (3), 507-528.

Naman, J. L. and Slevin, D. P. (1993), 'Entrepreneurship and the concept of fit: A model and Empirical tests', *Strategic Management Journal*, 14(2), 137-53.

Narver, J. C. and Slater, S. F. (1990), 'The effect of a market orientation on business profitability', *Journal of Marketing*, 54(4), 20-36.

Nonaka, I. and Takeuchi, H. (1995), *The Knowledge-Creating Company: How Japanese Companies Create the Dynamics of Innovation*, Oxford University Press, New York.

Nord, W. and Tucker, S. (1987), *Implementing routine and radical innovations*, Lexington Books, Lexington, MA.

Nunnally, J. C. (1978), *Psychometric theory*, 2nd ed., New York: McGraw-Hill.

Nyheim, P., McFadden, F. and Connolly, D. (2004), *Technology strategies for the hospitality industry*, Pearson Prentice-Hall, Upper Saddle River, NJ.

O'Connor, P. (1999), 'Electronic information distribution in the tourism and hospitality', *Journal of Marketing*, 66(3), 47–60.

Pelham, A. M. (2000), 'Market orientation and other potential influences on performance in small and medium-sized manufacturing firms', *Journal of Small Business Management*, 38, 48-67.

Peters, T. and Waterman, R. (1982), *In search of excellence*, New York: Harper & Row.

Piotrowski, C. (2006), 'Hurricane Katrina and Organization Development: Part 1. Implications of Chaos Theory', *Organization Development Journal*, 24(3), 10-19.

Porter, M. E. (1980), *Competitive Strategy*, New York: The Free Press.

Reinartz, W., Jacquelyn, T. and Kumar, V. (2005), 'Balancing Acquisition and Retention Resources to Maximize Customer Profitability', *Journal of Marketing*, 69, 63-79.

Rothwell, R. and Zegveld, W. (1986), *Innovation and the small and medium sized firm*, London: Francis Pinter.

Roux, D. C. (2000), 'Why Organizations Don't Learn from Crises: The Perverse Power of Normalization', *Review of Business*, 21(3), 25-30.

Schollhammer, H. (1982), *Internal corporate entrepreneurship*, In C. A. Kent, D. L. Sexton, & K. H. Vesper (Eds.), *Encyclopedia entrepreneurship*: 209-223, Englewood Cliffs, NJ: Prentice Hall.

Senge, P. M. (1990), *The Fifth Discipline*, Doubleday Publ., New York.

Senge, P. M., Roberts, C., Ross, R. B., Smith, B. J. and Kleiner, A. (1994), *The Fifth Discipline Fieldbook*, Doubleday Publ., New York.

Siguaw, J. A., Enz, C. A. and Namasivayam, K. (2000), 'Adoption of information technology in US hotels: strategically driven objectives', *Journal of Travel Research*, 39, 192–201.

Simon, L. and Pauchant, T. (2000), 'Developing the Three Levels of Learning in Crisis Management: A Case Study of the Hagersville Tire Fire', *Review of Business*, 21(3), 6-1.

Simonin, B. L. (1997), 'The importance of collaborative know-how: An empirical test of the learning organization', *Academy of Management Journal*, 40, 1150–1174.

Sinkula, J. M. (1994), 'Market information processing and organizational learning', *Journal of Marketing*, 58(1), 35– 45.

Slater, S. F. and Narver, J. C. (1994), 'Does Competitive Environment Moderate the Market Orientation—Performance Relationship?', *Journal of Marketing*, 58(1), 46-55.

Slater, S. F. and Narver, J. C. (1995), 'Market orientation and the learning organization', *Journal of Marketing*, 59, 63–74.

Soininen, J. et al (2011), 'Entrepreneurial orientation: Grow than profit ability of Finnish small-and medium- sized enterprises', *International Journal of Production Economics*.

Srinivasan, R., Lilien, G. L., and Rangaswamy, A. (2002), 'Technological Opportunism and Radical Technology Adoption: An Application to E-Business', *Journal of Marketing*, 66, 47–60.

Strebel, P. (1987), 'Organizing for innovation over an industry cycle', *Strategic Management Journal*, 8, 117–124.

Stuart, R. and Abetti, P. A. (1987), 'Start-up ventures: Towards the prediction of initial success', *Journal of Business Venturing*, 2, 215-230.

Syria Today, (retrieved 2011), <http://www.syria-today.com/index.php/focus/14490-focusing-on-the-little-guy>.

Tabachnick, B. G., and Fidell, L. S. (1996), *Using multivariate statistics* (3rd ed.), New York: HarperCollins.

The Daily Star, (2011), <http://www.dailystar.com.lb/Business/Middle-East/Apr/02/Tourism-in-Syria-to-account-for-13-percent-of-GDP-by-2019---report.ashx#axzz1z6drHJDG>.

Thomas, C. W. (1994), 'Learning from scenarios: imagining the years ahead', *Planning Review* 22 (2), 6–10, 44.

Tornatzky, L. and Fleischer, M. (1990), *The processes of technological innovation*, Lexington Books, New York.

Travel Document Systems, (1996), <http://www.traveldocs.com/index.php?page=about-syria-2>.

Tsang, E. W. K. (1997), 'Organizational learning and the learning organization: A dichotomy between descriptive and prescriptive research', *Human Relations*, 50(1), 73–89.

Tsaur, H., Lin, C.Y. (2002), 'Promoting service quality in tourist hotels: the role of HRM practices and service behavior', *Tourism Management*, 25 (1), 471-81.

Tushman, M. L. and Anderson, P. (1986), 'Technological discontinuities and organizational environments', *Administrative Science Quarterly*, 31, 439–465.

Tzokas, T., Carter, S. and Kyriazopoulous, P. (2001), 'Marketing and entrepreneurial orientation in small firms', *Enterprise and Innovation Management Studies*, 2(1), 19-33.

Van de Ven, A. and Poole, M. S. (1995), 'Explaining development and change in organizations', *Academy of Management Review*, 20, 510-540.

Voss, G. B. and Voss, Z. G. (2000), 'Strategic orientation and firm performance in an artistic environment', *Journal of Marketing*, 64(1), 67–83.

Wagner, E. and Hansen, E. (2005), 'Innovation in large versus small companies: insights from the US wood products industry', *Management Decision*, 42(6), 837–50.

Walsh, J. P. and Ungson, G. R. (1991), 'Organizational memory', *Academy of Management Review*, 16 (1), 57–91.

Webster, F. A. (1977), 'Entrepreneurs and ventures: An attempt at classification and clarification', *Academy of Management Review*, 2, 54-61.

White, M., Braczyk, J., Ghobadian, A. and Niebuhr, J. (1988), *Small Firms' Innovation: Why Regions Differ*, Policy Institute Studies.

Wikipedia, (retrieved 2012), <http://en.wikipedia.org/wiki/Damascus#Geography>.

Wikitravel, (2011), <http://wikitravel.org/en/Damascus>.

Wiklund, J. (1999), 'The sustainability of the entrepreneurial orientations-performance relationship, *Entrepreneurship Theory and Practice*', *Academic journal*, 24 (1), 37-48.

Wiklund, J., Patzelt, H. and Shepherd, D. (2009), 'Building an integrative model of small business growth', *Small Business Economics*, 32(4), 351-374.

Wishart, N. A., Elam, J. J. and Robey, D. (1996), 'Redrawing the portrait of a learning organization: inside Knight-Ridder Inc', *The Academy of Management Executive*, 10 (1), 7–20.

Vijande, M. L. S., Sanzo-Perez, M. J., Alvarez-Gonzalez, L. I. and Vazquez-Casielles, R. (2005), 'Organizational learning and market orientation: interface and effects on performance', *Industrial Marketing Management*, 34, 187– 202.

Wolf, C. (1997), *Lodging Hospitality Hotel Technology Handbook*. p. 32.

Zahra, S. A., Kuratko, D. F. and Jennings, D. F. (1999), 'Entrepreneurship and the acquisition of dynamic organizational capabilities, *Entrepreneurship Theory and Practice*', Springer, 23 (3), 5-10.

Zhou, K. Z, Yim, B. C, Tse, D. K. (2005), 'The effects of strategic orientations on technology- and market-based breakthrough innovations', *J Mark*; 69(2):42–60.

APPENDIX

Appendix : The SME Growth Survey

The distributed questionnaire was an exact translation of the below one.

Dear Participant:

This survey is being conducted to investigate the relationship between successful implementation of business strategy and Small Medium Enterprise (SME) growth in Syria. Your co-operation, knowledge and opinions are very important to the success of this study.

We would appreciate it if you could kindly spare a few minutes to answer the questions. It will take you less than fifteen minutes to complete this survey.

All information provided will be treated with strict confidentiality and used solely for academic purposes.

I hope that you will find the survey interesting. When you have finished, please return it with the pre-paid envelope. Please contact us if you have any questions regarding this study.

Best Wishes,

SECTION 1- BACKGROUND OF YOUR BUSINESS

The following questions are about your business. Based on your knowledge respond to all questions to the best of your ability. All the information you provide will be treated in strict confidence. Thank you for your co-operation.

1. When was your business set up? Year ____ _

2. Please tell us your position in the company.

- Owner
- Managing Director
- Owner and Managing Director
- Other (Please state:
(_____))

3. Would you describe the company essentially as a family business?

- Yes
- No

4. Your business is in:

- Manufacturing of _____
- Retailing of _____
- Wholesale trade and commission trade of _____
- Hotels and restaurants _____
- Professional services (e.g. accounting, IT, law) of _____
- Other (Please state:
(_____))

5. How many full-time employees are employed in the company as of 2010?

6. How many of them are family members? _____

7. How many part-time employees are employed in the company as of 2010?: _____

SECTION 2- STRATEGIC ORIENTATION

In the columns below are listed different statements about different business practices. Please rate the extent to which these statements describe your business practice on a 7-point Agree/Disagree scale where 1 means “Strongly Disagree” and 7 means ‘Strongly Agree’. **(Tick only one number for each statement).**

Statements	Strongly Disagree						Strongly Agree
1. In general, our firm favors a strong emphasis on research & development, technological leadership, and innovations.	1	2	3	4	5	6	7
2. In the past 5 years, our firm has marketed a large variety of new lines of products or services.	1	2	3	4	5	6	7
3. Our firm always looks for new businesses or markets to enter.	1	2	3	4	5	6	7
4. Our firm has a strong tendency to take on highly risky projects with chances of very high return.	1	2	3	4	5	6	7
5. When there is uncertainty, our firm typically adopts a ‘wait and see’ posture in order to minimize the risk of making costly decisions.	1	2	3	4	5	6	7
6. We believe, owing to the nature of the environment, that bold, wide-ranging acts are necessary to achieve our firm’s objectives.	1	2	3	4	5	6	7
7. We actively respond to the adoption of “new ways of doing things” by our main competitors.	1	2	3	4	5	6	7
8. We are willing to try new ways of doing things and seek unusual, novel solutions.	1	2	3	4	5	6	7
9. We encourage people to think and behave in original and novel ways in our firm.	1	2	3	4	5	6	7
10. We support the efforts of individuals and/or teams that work autonomously as compared with requiring individuals and/or teams to rely on managers to guide their work	1	2	3	4	5	6	7
11. We expect individuals/teams pursuing business opportunities to justify their actions throughout the development process (as compared with encouraging them to proceed without having to justify their actions at every stage of development)	1	2	3	4	5	6	7
12. In our firm, managers/owners play a major role in identifying and selecting the entrepreneurial opportunities our firm pursues.	1	2	3	4	5	6	7
13. We use sophisticated technologies in our new product development.	1	2	3	4	5	6	7
14. Our new products always use state-of-art technology	1	2	3	4	5	6	7
15. Technological innovation based on research results is readily accepted in our firm.	1	2	3	4	5	6	7
16. Technological innovation is readily accepted in our program/project management.	1	2	3	4	5	6	7

17. Our business objectives are driven primarily by customer satisfaction.	1	2	3	4	5	6	7
18. We constantly monitor our level of commitment and orientation to serving customer needs.	1	2	3	4	5	6	7
19. We collect customer feedback after sales	1	2	3	4	5	6	7
20. We respond rapidly to competitive actions that threaten us.	1	2	3	4	5	6	7
21. We target customers where we have an opportunity for competitive advantage.	1	2	3	4	5	6	7
22. Our top managers discuss competitors' strategies.	1	2	3	4	5	6	7
23. Our salespeople share competitor information	1	2	3	4	5	6	7
24. We freely communicate about our successful and unsuccessful customer experiences across all business functions	1	2	3	4	5	6	7
25. All of our business functions are integrated in serving the needs of our target markets	1	2	3	4	5	6	7
26. All of our business functions contribute to the creation of value for target customers.	1	2	3	4	5	6	7

SECTION 3- ORGANIZATIONAL LEARNING CAPABILITY

In the columns below are listed different statements about different business practices. Please rate the extent to which these statements describe your business practice on a 7-point Agree/Disagree scale where 1 means “Strongly Disagree” and 7 means ‘Strongly Agree’.

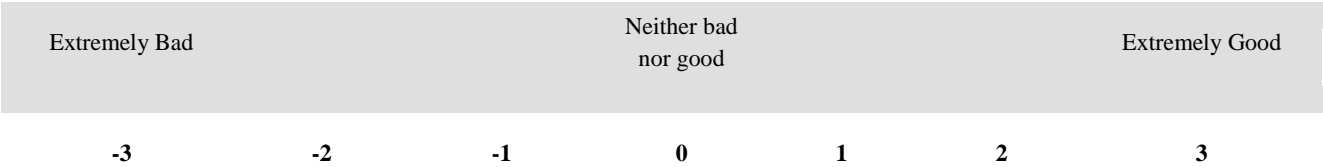
Statements	Strongly Disagree						Strongly Agree
1. Our managers frequently involve their staff in important decision making processes.	1	2	3	4	5	6	7
2. In our firm, employee learning is considered more of an expense than an investment.	1	2	3	4	5	6	7
3. Our management looks favourably on carrying out changes in any area to adapt to and/or keep ahead of new environmental situations.	1	2	3	4	5	6	7
4. Employee learning capability is considered a key factor in our firm.	1	2	3	4	5	6	7
5. In our firm, innovative ideas that work are rewarded.	1	2	3	4	5	6	7
6. All our employees have generalized knowledge regarding this firm’s objectives.	1	2	3	4	5	6	7
7. All parts that make up this firm (departments, sections, work teams, and individuals) are well aware of how they contribute to achieving the overall objectives.	1	2	3	4	5	6	7
8. All parts that make up this firm are interconnected, working together in a coordinated fashion.	1	2	3	4	5	6	7
9. Our firm promotes experimentation and innovation as a way of improving the work processes.	1	2	3	4	5	6	7
10. Our firm follows up what other firms in the sector are doing, adopting those practices and techniques it believes to be useful and interesting.	1	2	3	4	5	6	7
11. Experiences and ideas provided by external sources (advisors, customers, training firms, etc.) are considered a useful instrument for this firm’s learning.	1	2	3	4	5	6	7
12. Part of our firm’s culture is that employees can express their opinions and make suggestions regarding the procedures and methods in place for carrying out tasks.	1	2	3	4	5	6	7
13. Errors and failures are always discussed and analyzed in this firm, on all levels.	1	2	3	4	5	6	7
14. Employees have the chance to talk among themselves about new ideas, programs, and activities that might be of use to the firm.	1	2	3	4	5	6	7
15. In our firm, teamwork is not the usual way to work.	1	2	3	4	5	6	7
16. Our firm has instruments (manuals, databases, files, organizational routines, etc.) that allow what has been learnt in past situations to remain valid, although the employees are no longer the same.	1	2	3	4	5	6	7

SECTION 4: MARKET FORCES

In the columns below are listed different statements that some people believe to be important market forces. On a 7-point Agree/Disagree scale where 1 means “Strongly Disagree” and 7 means ‘Strongly Agree’. Please rate the extent to which these statements describe your opinion

Statements	Strongly Disagree						Strongly Agree
1. It is difficult to understand consumers’ expectations of a brand.	1	2	3	4	5	6	7
2. Consumers always look for novelty; they are never loyal to a single brand.	1	2	3	4	5	6	7
3. Over the last 5 years, we see that in the industry where our brand operates, the diversity in production technology has dramatically increased.	1	2	3	4	5	6	7
4. Over the last 5 years, we see that in the industry where our brand operates, the leading firms have introduced state-of-art products into the market.	1	2	3	4	5	6	7
5. There are too many similar products in the market; it is very difficult to differentiate our brand.	1	2	3	4	5	6	7
6. This market is too competitive, price wars often occur.	1	2	3	4	5	6	7

Please describe how market conditions such as economy, competition, and consumer demand have affected your business performance in the past 2 years?



SECTION 5: ABOUT BUSINESS START UP & GROWTH

In this section of this survey, we would like you to provide us with some growth information. Please **print your answers in the space provided.** .

1a. What was the sales turnover for the start-up year? £ _____

1b. How many people did you employ in the start-up year? _____

1c. How many premises did you have in the start-up year? _____

2a. What was the sales turnover for your best business year? £ _____

2b. How many people did you employ in your best business year? _____

2c. How many premises did you have in your best business year? _____

3a. What was the sales turnover for 2009? £ _____

3b. How many people did you employ in 2009? _____

3c. How many premises did you have in 2009? _____

4a. Percentage of sales growth or decline in the past 2 years (please use **minus** sign if it is a decline) % _____

4b. Percentage of market share growth or decline in the past 2 years (please use **minus** sign if it is a decline) % _____

4c. Percentage of employment growth or decline in the past 2 years (please use **minus** sign if it is a decline) % _____

SECTION 6: ABOUT YOU and YOUR BUSINESS

In the last section of this survey, we would like you to provide us with some personal information. Please **tick** (✓) where appropriate.

1. Are you? Male Female

2. Your age: _____

3. Place of birth: _____

4. If born overseas, how long have you lived in France? _____

5. Your nationality: _____

6. Your highest qualification:
 - Primary school
 - Secondary school
 - GSCE or equivalent
 - A' Level or equivalent
 - Bachelor's degree
 - Master's degree
 - Other (Please state: _____)

6. What were you doing before engaging with your current business?
 - Student
 - Business owner in a similar business activity
 - Business owner in a different line of business activity
 - Unemployed and looking for work
 - Employee in the family business (same line)
 - Employee in the family business (different line)
 - Employee in a non-family business (same line)
 - Employee in a non-family business (different line)
 - Professional (doctor, teacher, etc.)
 - Other (Please state: _____)

This is the end of the survey

Thank you for your time and co-operation.