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Research Article

Analyzing Effectiveness of Entrepreneurial Orientation on Business Growth: A Study of SMEs in the Hospitality Sector in Kitwe

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About Article

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ABSTRACT

Entrepreneurial orientation (EO) has been publicized as a vital ingredient that brings incremental growth to firms. As a result, this research investigates the impact of entrepreneurial orientation (EO) on the growth of small and medium enterprises business among Zambian- owned enterprises within the Kitwe hospitality sector, with a focus on understanding the practical effectiveness of key entrepreneurial capabilities in driving business success and growth. The study's objectives are determining innovation and marketing capabilities can contribute to growth and profitability, while analyzing the effects of entrepreneurial training and effective use of financial management can enhance growth in the industry. To address these objectives, both qualitative and quantitative methods of data collection were employed as purposive sampling method as to allow an in-depth examination of how Kitwe 's unique socio-cultural and economic factors shape the entrepreneurial behaviors. The research drew a purposive 50 participants including business owners, managers, and industrial stakeholders to allow for diverse representation across the sector. The sample size was determined based on the standard for achieving data saturation in qualitative research. The findings reveal that entrepreneurial training significantly enhances management skills, empowering leaders with improved decision-making abilities and strategic thinking which are paramount in a dynamic environment. Financial management was seen as an important element in optimizing resource use in the industry. Additionally, innovative capacity emerged as essential for maintaining market share and maintaining long term growth by allowing business to adapt rapidly to changing customer preferences and industrial trends, These results underscores the need for policy intervention that supports entrepreneurial development, financial literacy and innovative driven strategies to strengthen Kitwe's hospitality sector, thereby contributing to the broader goals of economic resiliency and growth in Zambia's entrepreneurial landscape.

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1. INTRODUCTION

An important key indicator of a strong and booming economy is the presence of well-developed SMEs particularly regarding the hospitality industry, especially Kitwe being the center of the Copperbelt mining industry. The SME sector has been widely recognized as an essential driver of economic growth, innovation, employment creation and social integration in both developed and developing countries (Smith *et al.*, 2002).

Many reviews and assessments of the entrepreneurship research field have concluded that the development of a cumulative body of knowledge has been limited and slow because there is lack of agreement on many key issues regarding what constitutes entrepreneurship because researchers fail to build upon each other's results (Davidsson & Wiklund, 2001), and because measurements of key variables are typically weak. Although the larger field of entrepreneurship may be struggling with central conceptual issues, the development has been more promising in certain areas of entrepreneurship research. A large stream of research has examined the concept of entrepreneurial orientation (EO). EO has become a central concept in the domain of entrepreneurship that has received a substantial amount of theoretical and empirical attention (Covin *et al.*, 2006). More than 100 studies of EO have been conducted, which has led to wide acceptance of the conceptual meaning and relevance of the concept.

First, a meta-analysis can help guide future studies into areas that are of particular importance. As the number of studies examining the relationship between EO and performance is ever increasing (using publication date as an indicator), this is an important function of a meta-analysis. Such an analysis can tell us if an area has reached maturity, if further work in the area is warranted and, going forward, what kinds of EO-performance studies need to be done.

The possibility of conducting a meta-analysis depends largely on the quality of the underlying studies. The research design, operationalization, sampling, and reporting of statistics are key considerations in a meta-analysis. Firms that show entrepreneurial behavior have greater profitability and growth than those that do not adopt entrepreneurial systems (Antoncic, 2007).

1.1. General objectives

The general objective of this study is to analyze the effectiveness of entrepreneurial orientation on business growth of small and medium enterprises (SMEs) in the Kitwe hospitality sector.

1.2. Specific Objectives

- i. To estimate the effectiveness of EO on innovative capacity on business growth
- ii. To discover the effectiveness of EO on marketing skills and strategies on business growth and profitability
- iii. To evaluate the effectiveness of EO on financial management on business growth.
- iv. To find out the effectiveness of entrepreneurial training on business growth

1.3. Conceptual Framework

A conceptual framework proposed for this study is outlined

in figure 1. The purpose of conceptual framework according to Chalmers (1982) is that it identifies research variables and clarifies relationships among the variables. In this research, as shown on the framework, the conceptual framework will measure ingredients in the work, define each variable present in the research and include also the links between these variables.

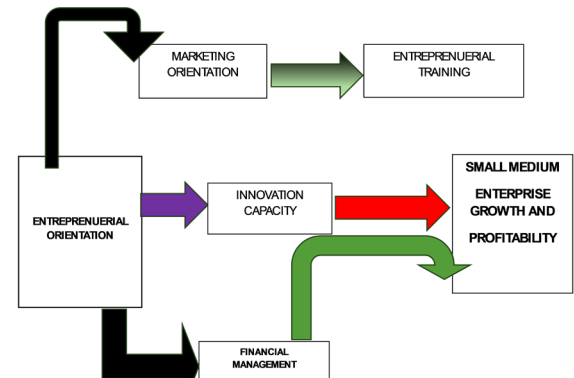


Figure 1. Conceptual Framework

2. LITERATURE REVIEW

2.1. Innovation

Innovative capacity, defined as a firm's ability to develop new products, services, or processes that improve performance, competitiveness, and sustainability, is a key driver of business success in today's dynamic and highly competitive environments (Schumpeter, 1934; Drucker, 1985). The concept encompasses both the generation of novel ideas and the ability to implement these ideas effectively, leading to value creation and market differentiation. In the context of business management, innovative capacity plays a crucial role in helping firms adapt to changing market conditions, meet evolving customer needs, and sustain long-term competitive advantage (Noble *et al.*, 2002). Innovativeness in a firm generally entails the introduction of new ideas that can allow the firm to improve its product or service offering.

2.2. Effectiveness of marketing skills and strategies on business growth and profitability

Marketing skills and strategies are essential components of business management that directly impact profitability particularly in the hospitality industry. Effective marketing enables businesses to attract and retain customers, build brand recognition, and differentiate themselves from competitors. In the context of small and medium-sized enterprises (SMEs), particularly in developing economies like Zambia, mastering marketing strategies is critical to overcoming resource constraints and capturing market share (Kotler & Keller, 2016). Within the hospitality sector, the ability to implement innovative marketing approaches is especially significant, as businesses must not only offer quality services but also create compelling value propositions to attract increasingly discerning customers.

2.3. Relationship Between Entrepreneurial Orientation and Business Growth

Extensive research has explored the relationship between EO



and firm performance, and several scholars have reported positive associations between the two. Wiklund and Shepherd (2003) asserted that firms with higher EO tend to achieve better financial and operational performance, primarily because EO drives innovation, market responsiveness, and risk management capabilities. Similarly, Rauch *et al.* (2009), in their meta-analysis, found a significant positive correlation between EO and firm performance, suggesting that EO is a critical determinant of a firm's ability to navigate competitive markets effectively as supported by O'Reilly and Tushman (2007). However, other scholars have indicated that the relationship between EO and performance is contingent on several factors. Covin and Slevin (1989) suggested that EO might not always guarantee improved performance, particularly in contexts where market conditions are unstable, or resource constraints are high. In the hospitality sector, where competition is often fierce and consumer preferences rapidly shift, firms with a high EO might struggle to maintain consistent performance without proper managerial capabilities

2.4. The Role of Entrepreneurial Training in Business growth

Entrepreneurial training has increasingly been recognized as a vital component in enhancing the effectiveness of EO in business management and growth. Scholars have posited that training programs focused on entrepreneurial skills development enable business owners and managers to better understand market dynamics, manage risks, and foster innovation. According to Solomon *et al.* (2002), entrepreneurial training helps bridge the gap between theoretical knowledge and practical application, equipping entrepreneurs with the necessary tools to navigate complex business environments. According to Morris and Paul (1987) training encourages entrepreneurship in marketing.

It has also been suggested that training is particularly important in developing countries, where entrepreneurs may face additional challenges such as limited access to financial resources, inadequate infrastructure, and regulatory hurdles. Scholars have highlighted that in contexts such as Zambia, where the business environment can be unpredictable, entrepreneurial training programs can help mitigate these challenges by equipping entrepreneurs with problem-solving skills and strategic thinking.

Furthermore, some studies have reported that entrepreneurial training has a significant impact on the long-term sustainability of businesses. and that firms whose managers received formal entrepreneurial training were more likely to survive in competitive industries compared to those whose managers lacked such training.

2.5. Effectiveness of financial management on business growth

Financial management (FM) is universally acknowledged as a cornerstone of effective business management, impacting almost every facet of an organization's operations, from resource allocation to long-term sustainability. The central role of FM is especially evident in its influence on decision-making processes, risk management, profitability, and overall organizational stability. Scholars e.g. Noble *et al.* (2002) help

product innovation and have long emphasized that financial management encompasses more than just bookkeeping or financial reporting. It involves strategic planning, financial control, and managing resources to meet business objectives efficiently.

2.5. Literature gap

2.5.1. Lack of Context-Specific Empirical Evidence

While the literature review references several theoretical frameworks and general studies on marketing effectiveness, there is a noticeable absence of context-specific empirical research. Most existing literature pertains to broader, global perspectives rather than focusing on the unique characteristics and dynamics of the Zambian hospitality sector. Future research should aim to conduct empirical studies that gather data on the specific marketing practices of Zambian-owned businesses in Kitwe, exploring their effectiveness and challenges in real-world contexts. Such research could involve case studies, surveys, or interviews with local business owners to provide deeper insights into the factors that influence marketing success in this specific environment.

The literature review emphasizes the potential benefits of various marketing strategies but does not provide a clear framework for measuring their effectiveness. Establishing metrics for evaluating the success of marketing initiatives is crucial for businesses seeking to enhance profitability. Future studies should focus on developing measurement frameworks that allow Zambian-owned hospitality businesses to assess the return on investment (ROI) of their marketing strategies. This could involve identifying key performance indicators (KPIs) that align with specific business goals, enabling firms to make data-driven decisions.

2.5.2. Strengths of the Literature Review

Thorough Examination of Marketing Strategies: The review systematically covers a wide array of marketing strategies relevant to profitability, such as brand positioning and digital marketing. Each strategy is substantiated with appropriate academic references, providing a solid foundation for the claims made. This thoroughness ensures that the reader is equipped with a comprehensive understanding of the various marketing approaches available to businesses in the hospitality sector.

The literature review aptly situates its analysis within the context of the Kitwe hospitality sector, addressing the specific challenges faced by SMEs. By focusing on a local context, the review underscores the unique market dynamics and operational hurdles these businesses encounter, making the findings more applicable to practitioners and policymakers in Zambia.

2.5.3. Weaknesses of the Literature Review

Limited Empirical Evidence: While the literature review draws on numerous academic sources, it could benefit from incorporating more empirical studies specific to the Zambian context. Most of the cited literature is general and may not reflect the unique cultural and economic realities of the Kitwe hospitality sector.



2.5.4. Establishment of Research Gaps

Despite the comprehensive exploration of the effectiveness of marketing skills and strategies on business profitability in the Kitwe hospitality sector, several research gaps emerge from the literature review. Addressing these gaps is essential for advancing understanding and developing targeted strategies that can enhance the performance of Zambian-owned businesses. The following research gaps are identified:

3. METHODOLOGY

The research design selected for this study is a qualitative and quantitative case study approach. According to Yin (2018), a case study is particularly advantageous for investigating complex social phenomena within specific contexts, such as entrepreneurial ecosystems. By focusing on Kitwe as a case study, this design allows for a comprehensive exploration of how social and cultural factors intricately shape entrepreneurial practices and influence ecosystem dynamics.

Qualitative case studies are well-suited for this research because they emphasize understanding phenomena in their natural settings and capturing the richness of contextual factors (Dimitratos *et al.*, 2004). In the context of Kitwe's entrepreneurial business growth, this approach enables researchers to delve deeply into the interactions between societal expectations, cultural attitudes, and business practices. A case study design facilitates the examination of multiple perspectives, and the exploration of how various social and cultural elements intersect to impact entrepreneurial activities (Stake, 1995). This is crucial in understanding the nuanced dynamics that contribute to the success or challenges faced by Zambian owned and business in the Kitwe Hospitality Sector.

3.2. Target Population

The target population for this study includes entrepreneurs, business owners, and key stakeholders in the firms actively involved in Kitwe's hospitality sector on business growth. These individuals are selected based on their direct experience and expertise in navigating the local business environment and understanding the impact of social and cultural factors on entrepreneurial activities.

Underscores the importance of selecting participants with direct experience and knowledge of the subject matter in qualitative research. By focusing on the effectiveness of entrepreneurial orientation on business management. Entrepreneurs and business owners play a pivotal role as they directly experience the challenges and opportunities within the local market

3.3. Sampling Method

A purposive sampling technique will be employed to select participants for this study. In this case, the researchers will identify and recruit participants who can provide diverse perspectives on the influence of social and cultural factors on entrepreneurship in Kitwe. This approach ensures that the sample represents a broad spectrum of stakeholders, including entrepreneurs, business owners, community leaders, and other key actors in the local business ecosystem. Purposive sampling is particularly suitable for this study because it allows for target selection of participants who have in-depth knowledge and

experience related to the research objectives.

3.4. Sample Size Determination

The study will involve approximately 50 participants, selected through purposive sampling to ensure a diverse representation of stakeholders within the Kitwe hospitality Sector. According to Guest *et al.* (2006), saturation in qualitative data collection, where no new information or themes emerge from additional interviews or focus groups, is typically achieved within a sample size of this magnitude.

3.5. Data Collection Methods

Data will be primarily collected through semi-structured interviews and focus group discussions, chosen for their ability to elicit detailed insights and perspectives from participants. Semi-structured interviews offer flexibility in exploring participants' narratives, allowing researchers to probe deeper into specific experiences and perspectives related to social and cultural influences on entrepreneurship (Denzin & Lincoln, 2018). This methodological approach is crucial for capturing rich, qualitative data that elucidates the nuances and complexities of entrepreneurial decision-making and behavior within the local business environment. By employing both semi-structured interviews and focus group discussions, the study aims to triangulate findings and ensure a comprehensive exploration of the research objectives, thereby enhancing the validity and reliability of the study's conclusions

3.6. Data Analysis

Thematic analysis will serve as the primary method to analyze the qualitative data collected from semi-structured interviews and focus group discussions. According to Braun and Clarke (2006), thematic analysis involves systematically identifying, analyzing, and reporting patterns (themes) within the data. This method allows researchers to uncover underlying meanings and insights regarding how social and cultural factors influence entrepreneurial practices and business ecosystem dynamics in Kitwe. By employing thematic analysis aided by software tools, the study aims to provide a rigorous and systematic exploration of the complex interplay between social and cultural factors and entrepreneurial dynamics in Kitwe.

4. RESULTS AND DISCUSSION

This will provide a comprehensive account of the research findings derived from the study, structured to present the data systematically and facilitate meaningful interpretation. This chapter is divided into several sections that detail both the background characteristics of the respondents and the results organized around the specific research objectives.

4. Presentation of results

4.1. Annual growth of respondents

Annual Income and growth: It was reported that the fifteen firms which have been operating for the maximum of four years had grown in revenue by 43%, indicating strong value put on innovation and marketing and a broad spectrum of financial success among entrepreneurs while the new five firms had grown by 33% (Miller & Friesen, 1986). The third category in



Table 1. Primary data

No Firms in business	Revenue Year 1 K'000	Revenue Year 2 K'000	Growth percentage
New 5	1500	2000	33%
2 to 4 years old-15	3000	4300	43%
5- to 10-year-old-10	1500	1700	13%
11 to 15 years old-15	2500	3200	28%
Above 15 years -5	1300	1600	23%

growth was the companies which had been operating for more than fifteen years and below in business, which grew by 28%. These firms may be in the declining phase of their operation and that there is need to change the strategy which is not working in their favor. The last two categories had grown by 23% and 13% for firms which have operated for which have been in existence for more fifteen years and between five and ten years respectively. Lumpkin and Dess (1996) and Mahmood and Qureshi (2010), growth is always liked to good performance.

4.2. Presentation of results on background characteristics of the respondents

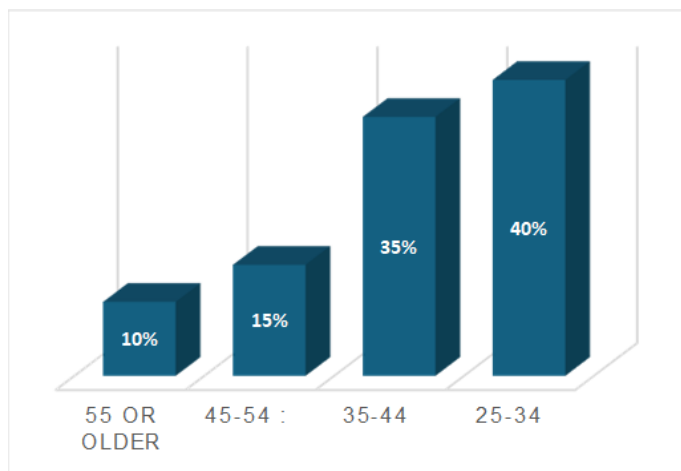


Figure 2. Age of respondents

The age distribution reflects a younger demographic actively involved in the hospitality sector, with a notable emphasis on the 25-34 and 35-44 age groups. This trend may influence the entrepreneurial strategies and management practices within the sector, highlighting the potential for innovation and adaptability in responding to market dynamics.

4.3. Gender of respondent

The gender distribution shows a slight male dominance in the entrepreneurial space within the Kitwe hospitality sector, with men representing 58% of the respondents. However, the significant proportion of female respondents (42%) indicates

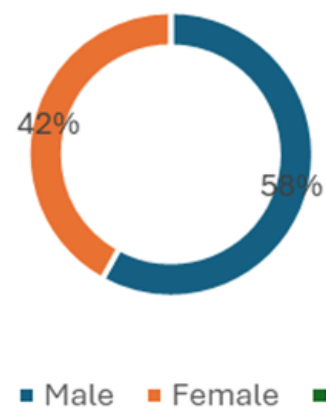


Figure 3. Gender of respondent

an encouraging trend towards greater gender diversity in entrepreneurship.

4.4 Status of respondents

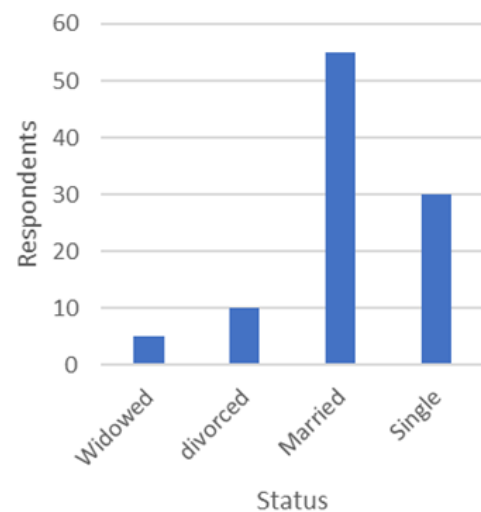


Figure 4. Status of respondents

The marital status distribution reveals a diverse landscape among the respondents in the Kitwe hospitality sector, with the majority being married (55%). This suggests a potential for stability and shared resources in entrepreneurship. The presence of single (30%) and divorced (10%) individuals indicate a mix of risk-takers and resilient individuals who may drive innovation.

4.5. Years of Entrepreneurial Experience by respondent

Years of Entrepreneurial Experience: It was reported that 35% had more than six years of experience, 30% had 4-6 years, 25% had 1-3 years, and 10% had less than 1 year of experience. Implications: A significant portion of respondents have over six years of experience, which suggests that many entrepreneurs are well-established and potentially better equipped to navigate business challenges.



Figure 5. Years of Entrepreneurial Experience by respondent

4.6. Type of business

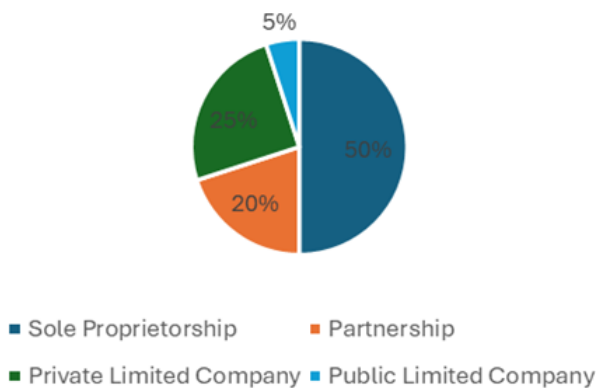


Figure 6. Type of business

The respondents indicated that 50% owned sole proprietorships, 20% owned partnerships, 25% had private limited companies, and only 5% ran public limited companies. The dominance of sole proprietorships reflects a preference for simple business structures, though the presence of private limited companies shows some inclination toward growth and formal business management.

4.7. Number of full-time employees in the respondents' company

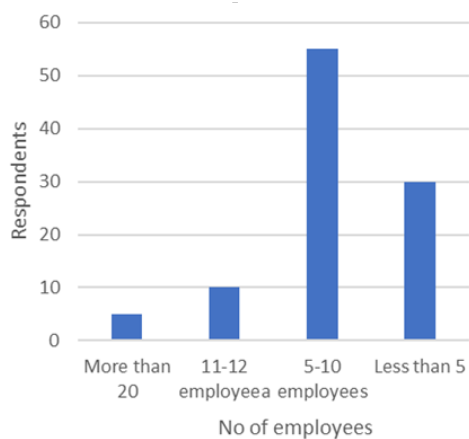


Figure 7. Number of full-time employees in the respondents' company

Number of Full-Time Employees: Respondents reported that 45% of businesses had fewer than five employees, 30% employed between 5-10 people, 15% had 11-20 employees, and 10% employed more than 20. Many businesses are small, employing fewer than 10 people. This suggests that many entrepreneurs are operating at a micro or small enterprise level, which may limit their market impact and scalability.

4.8. What motivates the respondent to pursue entrepreneurial ventures

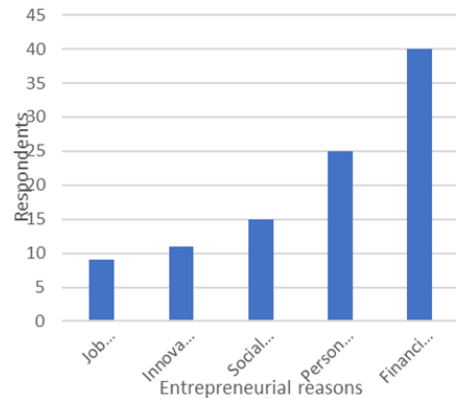


Figure 8. What motivates the respondent to pursue entrepreneurial ventures

Many respondents cited financial gain as their primary motivation, reflecting the desire to improve personal wealth and financial independence. However, personal satisfaction and social impact also play significant roles, indicating that entrepreneurs are motivated not only by monetary returns but by the personal fulfillment and societal change their ventures can bring.

4.9. What drives innovation culture in the respondent's organization

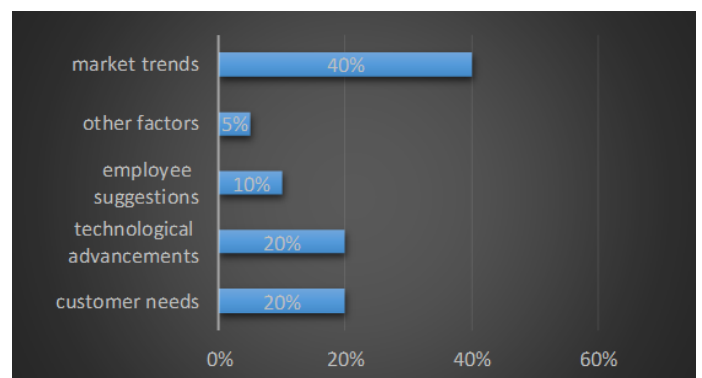


Figure 9. What drives innovation culture in the respondent's organization

The respondents identified various drivers of innovation within their organizations. They highlighted that 40% of innovations were driven by market trends, 20% by customer needs, 20% by technological advancements, 10% by employee suggestions, and 5% by other factors to allow for competitive dynamics (Santos & Brito, 2012).

The emphasis on customer needs as the primary driver underscores the organization’s commitment to aligning its innovations with market demands. This approach can help ensure that new products or services meet customer expectations, potentially leading to greater market success.

To foster a more inclusive innovation environment, management might consider establishing formal channels for employees to contribute ideas and suggestions, such as innovation competitions or suggestion boxes.

4.10. How often respondent encourages experimentation and training

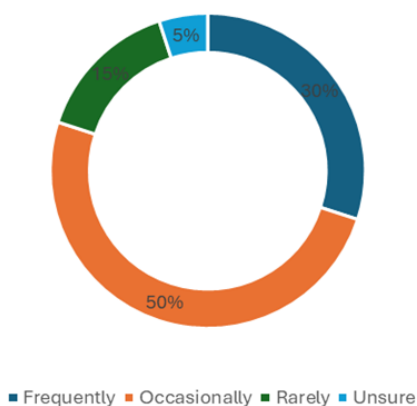


Figure 10. How often respondent encourages experimentation and training

The survey revealed that 30% of respondents indicated that their organization frequently encourages experimentation and training (Hurley & Hult, 1998). While 50% reported that training occurs occasionally. Only 15% stated that experimentation is rarely encouraged, with no respondents stating that it is never encouraged. To promote a more consistent culture of training, management could develop clear policies in this area.

4.11. Respondent’s description of the impact of marketing on business profitability

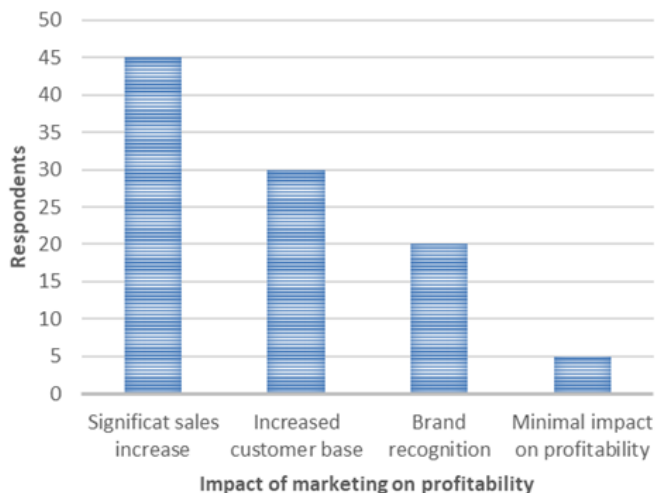


Figure 11. Respondent’s description of the impact of marketing on business profitability

According to our findings on how marketing affects business profitability 45% of the respondents indicated that it increases sales, while 30% reported that the customer base always increased and 20% reported that the recognition of the brand goes up. According to (Klyver, K. & Schenkel, M. (2013), the relationship between perceived entrepreneurial opportunity and market orientation.

4.12 Purpose financial management on business.

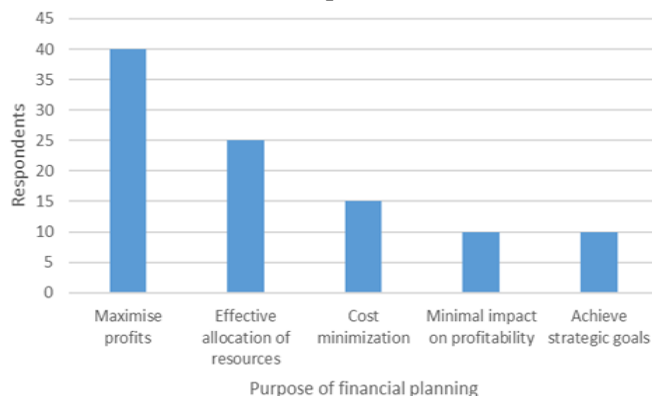


Figure 12. Purpose financial management on business

Most respondents focus on profit maximization, which indicates a short-term priority of increasing revenues and ensuring that businesses remain financially viable. The effective allocation of resources was also paramount and cost minimization.

4.13. How respondent handles business risks

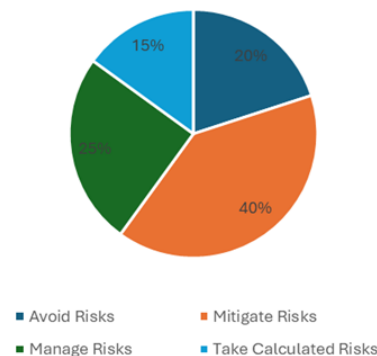


Figure 13. How respondent handles business risks

Many respondents prefer risk mitigation, adopting strategies to reduce potential threats to their businesses. This indicates a conservative approach where entrepreneurs actively seek ways to minimize uncertainties, such as through insurance, diversification, or contingency planning. A smaller percentage actively manage risks by confronting them as they arise, while a minority either avoid risks altogether or take calculated risks, demonstrating varied risk appetites.

4.14. How respondents evaluate business performance

Half of the respondents prioritize financial metrics, such as profitability, cash flow, and return on investment, as the primary



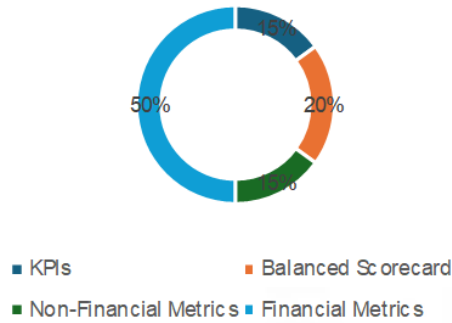


Figure 14. How respondents evaluate business performance

measure of business performance. Others use non-financial metrics like customer satisfaction or employee engagement, balanced scorecards, which offer a more comprehensive view of business health, or key performance indicators (KPIs) (Klein & McCarthy, 2005) that track specific business objectives. The use of balanced scorecards and KPIs suggests that some businesses adopt a more holistic view, balancing financial health with operational efficiency, customer satisfaction, and internal processes. Entrepreneurs using non-financial metrics may have a long-term focus on building sustainable customer relationships and a positive work environment, leading to more resilient businesses

4.15. Respondents primary goal for entrepreneurship

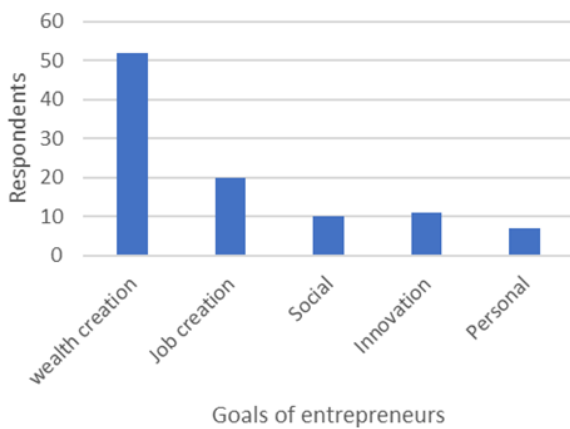


Figure 15. Respondents primary goal for entrepreneurship

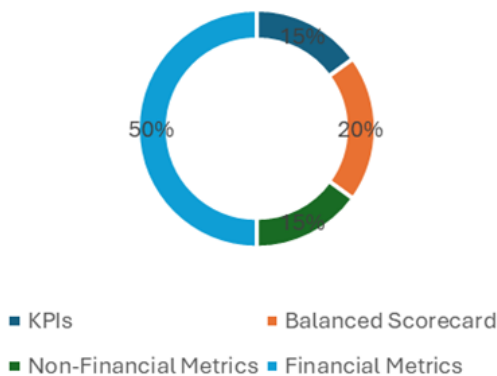


Figure 16. How respondents evaluate business performance

Half of the respondents prioritize financial metrics, such as profitability, cash flow, and return on investment, as the primary measure of business performance. Others use non-financial metrics like customer satisfaction or employee engagement, balanced scorecards, which offer a more comprehensive view of business health, or key performance indicators (KPIs) that track specific business objectives.

4.17. Primary purpose of financial planning in respondent's organization



Figure 17. Primary purpose of financial planning in respondent's organization

Most respondents focus on profit maximization, which indicates a short-term priority of increasing revenues and ensuring that businesses remain financially viable. However, a significant portion of respondents (25%) also prioritize resource allocation efficiency, suggesting that many entrepreneurs aim to optimize how financial and non-financial resources are deployed, such as labor, capital, and assets.

4.18. How often respondents review and update financial targets

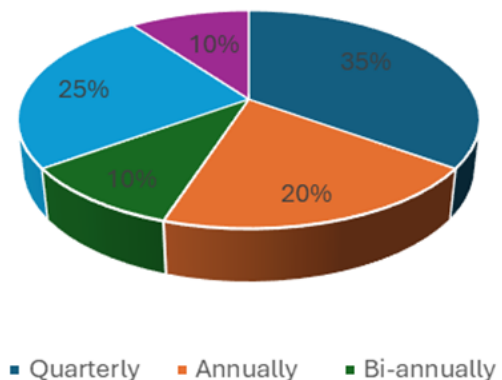


Figure 18. How often respondents review and update financial targets

Regular budget reviews are essential for maintaining financial discipline, and many businesses review their budgets quarterly, which strikes a balance between keeping financial oversight frequent enough to catch potential issues while avoiding

overburdening the process with too many reviews. Monthly reviews (25%) suggest more intense financial monitoring, likely to be adopted by businesses with fast-moving markets or complex financial structures.

4.19. Respondent’s primary marketing objective

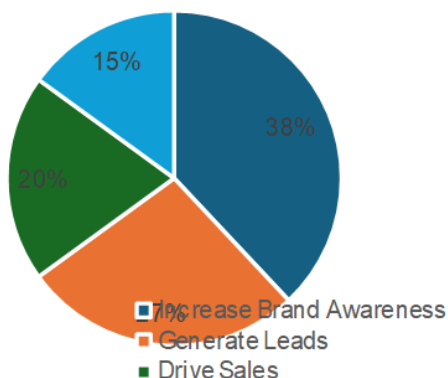


Figure 19. Respondent’s primary marketing objective

The majority of businesses prioritize building brand awareness and generating leads as their primary marketing objectives. This focus highlights the importance of visibility in competitive markets where businesses seek to establish themselves or capture new customer segments. Driving sales (20%) and improving customer retention (15%) follow as secondary objectives, reflecting a balance between acquiring new customers and retaining existing ones. A small percentage (5%) focus on other niche objectives, such as fostering customer loyalty or community engagement.

4.20. Respondent’s marketing strategy most frequently used

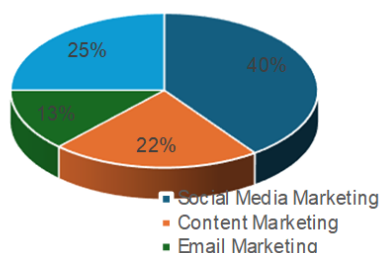


Figure 20. Respondent’s marketing strategy most frequently used

Social media marketing dominates as the preferred marketing approach due to its low cost, wide reach, and ease of engagement. Other strategies such as paid advertising (25%), content marketing (20%), and email marketing (10%) also feature prominently. However, reliance on social media may reflect its effectiveness in reaching target audiences and creating interactive relationships. Despite this, the underutilization of content and email marketing indicates that many businesses may be missing opportunities for deeper engagement and nurturing.

4.21. Respondent’s description of the impact of marketing on business profitability

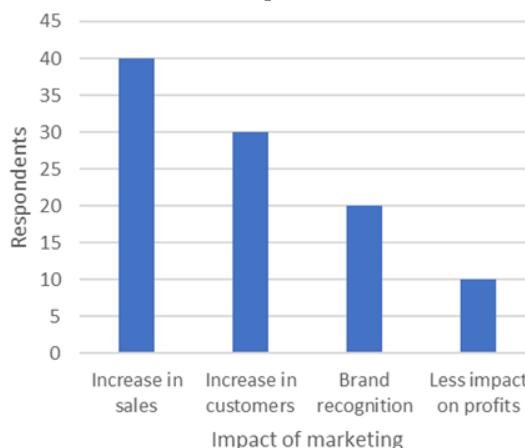


Figure 21. Respondent’s description of the impact of marketing on business profitability

A substantial portion of businesses (40%) attribute their marketing efforts to a significant increase in sales, indicating that marketing is a crucial driver of revenue growth. In addition to sales, 30% of businesses report that marketing has expanded their customer base, which is critical for long-term sustainability. However, for 5% of businesses, marketing has had minimal or even negative impacts, which may suggest ineffective strategies, poor execution, or misalignment between marketing.

4.23. How often respondent reviews and adjust your marketing Strategy

Most businesses review their marketing strategies quarterly (35%) or monthly (20%), which suggests a proactive approach to adapting their strategies based on performance metrics or market changes. Less frequent reviews, such as annually (25%) or bi-annually (15%), may indicate that these businesses prefer a more long-term approach or have no dynamic markets.

4.24. Respondents methods of Aligning Marketing Strategies with Revenue Goals

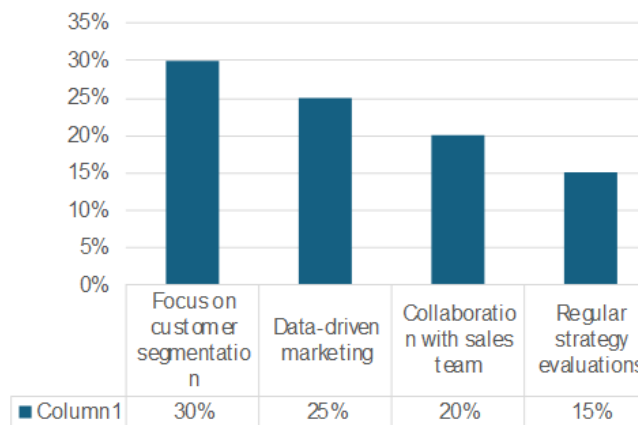


Figure 21. Respondents methods of Aligning Marketing Strategies with Revenue Goals

4.25. How respondent ensures alignment between business strategy and operations

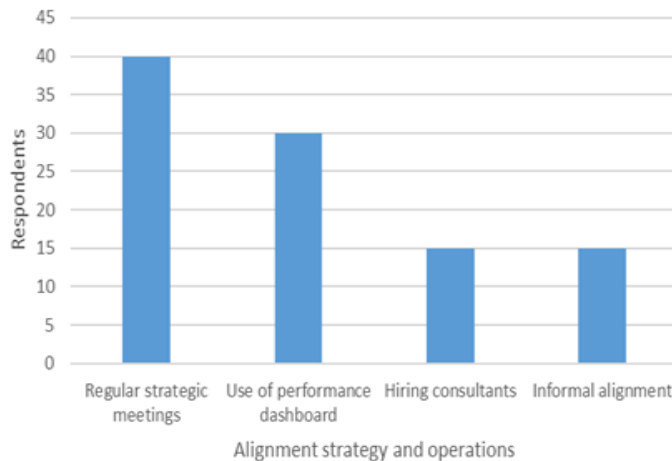


Figure 22. How respondent ensures alignment between business strategy and operations

Regular strategic meetings are the most common method to ensure that strategy with daily operations followed by use of dashboard as few firms hire consultants to help them.

4.26. Discussion of research findings

It was hypothesized that innovation positively influences SMEs' performance and growth. As in this case, firms' growth and personal wealth measures supported the hypothesis using the original sample. The findings confirm the resource-based view which postulates that innovation promotes firm performance. These findings are in line with the findings reported in past studies (Hunter & Schmidt, 2004; Wijetunge, 2016; Zhou *et al.*, 2009). According to Gaynor (2002), innovation is the core factor behind the survival and continuity of enterprises; it supports the company's expansion and growth and enhances the enterprise's future success. Previous studies suggested using innovations to overcome the obstacles and challenges of industrial SMEs' success and survival Hart (1992). The survival of SMEs results in spontaneous growth. The respondents identified various drivers of innovation within their organizations. They highlighted that 40% of innovations were driven by customer needs, 25% by market trends, 20% by technological advancements, 10% by employee suggestions, and 5% by other factors. The emphasis on customer needs as the primary driver underscores the organization's commitment to aligning its innovations with market demands. This approach can help ensure that new products or services meet customer expectations, potentially leading to greater market success. However, the low percentage of innovation driven by employee suggestions suggests a missed opportunity for harnessing internal creativity. The companies surveyed showed spontaneous growth in their revenues such that the fifteen in hospitality industry for four years grew by 43% while those new businesses grew by 33%. In terms of risks management, many respondents prefer risk mitigation as 40% respondents to this effect through insurance and contingent planning indicating that most leaders in the sector are risk takers as opposed to being risk averse and risk neutral.

The study underscores the significant impact of entrepreneurial training on various aspects of business operations. Formal training programs were reported to increase profitability by 40% of respondents, indicating that structured learning leads to better financial decision-making and operational efficiency which eventually results in growth. This suggests that training equips entrepreneurs with the necessary skills to optimize their resources, manage cash flows, and strategically plan for growth. As a result, businesses that invest in continuous learning and development are more likely to experience sustained financial success. Furthermore, 30% of respondents noted improvements in business operations, such as enhanced efficiency and better resource management, which are critical for maintaining competitiveness in dynamic markets.

4.27. The broader implications of entrepreneurial training extend beyond immediate financial benefits

Training helps entrepreneurs to develop a growth mindset, fostering innovation and resilience. For example, training can broaden network opportunities by connecting entrepreneurs with peers, mentors, and potential investors, as 15% of respondents reported. These connections often provide valuable insights, partnerships, and access to new markets, further enhancing the business's capacity to scale. Entrepreneurs who do not undergo formal training may face significant hurdles, especially when it comes to handling complex operational challenges or pursuing expansion. Therefore, expanding access to high-quality entrepreneurial training can serve as a critical lever for fostering economic development and improving the sustainability of small businesses. A substantial portion of businesses (45%) attribute their marketing efforts to a significant increase in sales, indicating that marketing is a crucial driver of revenue growth in the hospitality industry. In addition to sales, 30% of businesses report that marketing has expanded their customer base, which is critical for long-term sustainability, which will allow many customers to continue booking when visiting Kitwe. The other 20% of respondents stated that brand recognition is a factor that increases profitability. However, for 5% of businesses, marketing has had minimal or even negative impacts, which may suggest ineffective strategies, poor execution, or misalignment between marketing objectives and business goals. The strong link between marketing and increased sales underscores the importance of well-executed marketing strategies in driving profitability. However, the minimal or negative impacts experienced by some businesses highlight potential gaps in marketing execution, such as targeting the wrong audience, using ineffective channels, or failing to align marketing with overall business goals. For these businesses, revisiting their marketing strategies and aligning them more closely with customer needs and market dynamics could help mitigate these challenges and improve ROI. One way to seek a competitive advantage through an innovative approach is to employ strategic alliances as a marketing tool, which allows small businesses to act with the capacity of a large company, "expanding their resources, skills and abilities and geographic spread" (O'Dwyer *et al.*, 2011) Most respondents focus on profit maximization, which indicates a short-term priority of increasing revenues and ensuring that



businesses remain financially viable. However, a significant portion of respondents (25%) also prioritize resource allocation efficiency, suggesting that many entrepreneurs aim to optimize how financial and non-financial resources are deployed, such as labor, capital, and assets. Financial decision making is an important element that involves risk perception, risk attitude, and risk propensity linked with personality, socio-demographic, and situational factors George (2006) Minimizing costs and ensuring financial stability are also key aspects, though less prominent, highlighting the balancing act entrepreneurs face between cost control, operational efficiency, and profitability in the hospitality industry. Achieving strategic objectives is less of a priority which may affect the companies in future because many businesses focus more on day-to-day financial outcomes than on long-term growth plans. To align between business strategy and operations, most firms meet regularly to adjust the strategy though using performance dashboard was used mostly hiring of experienced consultants was not commonly used.

5. CONCLUSION

This serves as the culminating section of the research, synthesizing the key findings and insights gleaned from the study while providing actionable recommendations for stakeholders. The conclusion underscores the critical relationship between entrepreneurial orientation and firm performance and growth, highlighting how specific strategies can foster innovation and competitive advantage in dynamic market environments like hospitality sector particularly for Kitwe District. It also reflects on the theoretical implications of the findings, contributing to the existing body of literature on entrepreneurial orientation and organizational performance.

The research findings demonstrate that entrepreneurial orientation is a key factor in the growth of businesses in this sector if innovative actions are accomplished while allowing marketing and training of staff as part of the company's philosophy. The analysis of entrepreneurial orientation by small and medium Zambian-owned businesses in the Kitwe hospitality sector reveals critical insights into how different approaches to business management influence performance, growth and sustainability. The businesses generally exhibit strong entrepreneurial orientation traits, such as innovation, risk taking, proactiveness, a focus on operational stability and marketing strategy and competitive positioning. According to the research on EO conducted by Miller (1983) entrepreneurial orientation is characterized by innovation, risk taking and proactiveness. The SMEs which rewarded bonuses to staff for taking sensible risks in innovation regardless of whether risks pay off tended to grow spontaneously.

RECOMMENDATIONS

Based on the research conducted on EO on business growth in the Kitwe hospitality industry, the following recommendations are proposed:

1. *Continuous Training and Upskilling:* Companies should provide training programs to help current workers acquire new skills and adapt to technological changes allowing them to be more innovative and become proactive to change. Zambian-owned businesses would benefit significantly from access to

more comprehensive entrepreneurial training, particularly in areas such as financial management, innovation, and risk-taking. This training can help local SMEs entrepreneurs adopt more dynamic business strategies and build resilience in a competitive market which would result in growth and profitability. As the number of SMEs increases in the Kitwe hospitality industry, there is a need for training in service delivery more especially for front sales officers. Proper usage of all available resources and liquidity management will allow the SMEs to have enough for expansion and eventually grow.

2. *Foster Innovation and Risk-Taking:* The businesses in this sector should be encouraged to adopt a more proactive approach to innovation. Government and business support organizations could play a pivotal role by creating incubators and providing grants for innovative projects in the hospitality sector. It was noted that many firms' owners were risk takers which may result in growth but at the same time failures if the undertaking is not accepted by the market and corporate entrepreneurship (Zahra & Covin, 1995; Sharma & Chrisman, 1999).

3. *Improve Access to Funding to use for marketing purposes:* Local SMEs often struggle with limited financial resources to be used for marketing purposes (Kocak & Abimbola, 2009), which constrains their ability to grow, particularly in the hospitality industries whose initial capital investment is usually high. Increasing access to affordable financing, through partnerships with financial institutions or government-backed schemes, could provide Zambian entrepreneurs with the capital they need to expand their operations and invest in new technologies which would result in growth and profitability. This will also allow the firms in the sector to hire experienced qualified (ACCA, CIMA and ZICA) to increase firm performance (Santos & Brito, 2012).

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