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Entrepreneurial Orientation Affecting the Performance of Women-Owned SMEs: Evidence from Vietnam*

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Abstract

This study desires to examine the impact of five dimensions of entrepreneurial (EO) orientation (innovation, competitive aggressiveness, proactiveness, risk-taking, autonomy) on the operation of women-owned SMEs; the author conducted a case study in Vietnam. How will each dimension of EO affect women-owned SMEs' performance? This study aims to seek the answer to these questions. A survey research design and a theoretical framework have been developed for all factors in the current context. A simple random sampling technique was applied in 300 SMEs in some provinces of Vietnam through a survey questionnaire, and a total of 258 valid responses were assessed as appropriate. The obtained data was analyzed by using SPSS 20.0. Cronbach's α test and factor analysis have been carried out to test the reliability of data and validate the hypothesis. Research results show that innovation, competitive aggressiveness, proactiveness, and autonomy positively affect business performance, while risk-taking negatively affects business performance. The results suggest that female business owners should know how to improve each dimension of the entrepreneurial in line with its context. Research results are important implications for Government administrative agencies for businesses to consult and introduce effective support policies. It is recommended that similar studies be replicated to confirm this result.

Keywords: Entrepreneurial Orientation, Business Performance, Women Owned SMEs

JEL Classification Code: B54, B55, D85, M10

1. Introduction

Small and medium enterprises (SMEs) have been recognized to play an essential role in the economic growth of many countries. SMEs have a strategic role that can be seen as the backbone supporting national economic growth (Zarrouk et al., 2020). Realizing the importance of the

contributions of SMEs to the country, many programs and activities have been launched with a considerable allocation (VCCI, 2021). Generally, in developing countries like Vietnam, SMEs account for about 98% of the population. They are becoming the main drivers of socioeconomic development, new job creation, and technological growth in the country (Le et al., 2022). Which women-owned SMEs account for 26.5% of the total number of active enterprises and are making significant contributions to the development of the economy in Vietnam and the objectives of national gender equality in the period 2020–2030 (VCCI, 2021). However, women-owned SMEs also face many barriers and disadvantages compared to male-owned enterprises, which can reduce their contribution to business growth as well as social development (Hawasme, 2016; ILO, 2018; VCCI, 2019). Many studies show that although the number of businesses is increasing significantly over the years, the business performance of these enterprises still needs to be commensurate with their potential. Compared with male-owned businesses, women-owned businesses tend to be smaller, less profitable, grow more slowly, and have higher closing rates (VCCI, 2021). Many reasons pointed out

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include limitations in vision, strategy, and willingness to innovate and take risks (Nuong, 2022).

The fact shows that businesses need to look for new opportunities quickly to grow and succeed in today's rapidly changing business environment. Owning a suitable Entrepreneurial Orientation (EO) has been recognized as the most beneficial (Wiklund & Shepherd, 2005). EO involves the willingness to innovate, take risks to test new products, services, and markets, and act more proactively than competitors when new opportunities arise (Manev et al., 2005). Most of the previous studies on entrepreneurial orientation have been conducted in developed countries. In contrast, studies on the relationship between entrepreneurial orientation and SMEs' performance in developing countries, such as the Southeast Asian context, are pretty scarce.

Research related to business orientation is progressing rapidly as scholars acknowledge entrepreneurial orientation as one of the critical factors in gaining a competitive advantage for the survival and sustainability of many businesses. Another issue under debate is whether aspects of entrepreneurial orientation are unidirectional or multidimensional. Many previous studies used three aspects of business orientation and considered business orientation as a unidimensional structure (Korry et al., 2013; Anggadwita et al., 2021). Therefore, this study was conducted to study business orientation in women-owned SMEs in Vietnam to determine the relationship between five aspects of business orientation - Innovation, Pro-activeness, Risk-taking, Competitive Aggressiveness, and Autonomy on business performance from which to make more appropriate judgments and conclusions on this issue as well as suggest strategic directions for female entrepreneurs.

2. Literature Review

2.1. Concept of Entrepreneurial Orientation

EO is a planned corporate-level positioning that outlines the company's strategic planning methods, management philosophies, and corporate behaviors of a business nature. EO is better illustrated as the process a firm takes to enter a new market (Lumpkin & Dess, 1996) and is often viewed in terms of risk-taking, innovation, and initiative. Miller (1983) demonstrated EO through case analysis of companies engaging in product-market innovation, undertaking somewhat risky projects, and pioneering proactive innovations beat the opponent. The concept of EO is increasingly being expanded by adding "autonomy" and "competitive aggressiveness" and treating EO as a decision related to the company's strategy in the process of innovation and development (Alam et al., 2022). Innovation is the tendency to engage and support the creation of new ideas, which differ in their originality, experimentation, and creativity in the process of new production or modification

of new products. Proactivity shows the companies taking advantage of and quickly reacting to any opportunity to develop as intended. Risk-taking is the willingness to commit to resource-risking activities and projects under uncertain outcome conditions; Risk tolerance is also considered to be the degree to which an entrepreneur is willing to make a high business commitment. Competitive aggressiveness is seen in companies' passion for continuously increasing their position and market share by surpassing and surpassing their competitors in the market (Lumpkin & Dess, 1996). This is encouraged by a strong attitude toward superior competitors and may be accompanied by a similar reaction from competitors. That could be when a company aggressively enters a market defined by rival companies. It is an integrated approach or outlook that aims to a better position or overcome competitor threats. Aggressiveness in competition is an intense struggle to overcome competitors. With Autonomy, the company seeks independence to act. It may involve individuals or groups independently generating ideas and concepts through implementation from start to finish (Covin & Slevin, 1991). Autonomy allows employees to be productive by being independent, self-directed, dynamic, and creative.

Thus, EO is considered from unidirectional and multidimensional perspectives. The one-way view is associated with work and is expressed by the relationship between the ownership of innovation, initiative, and risk-taking with each other (Miller, 1983). On the other hand, from a multidimensional perspective, innovation, Autonomy, initiative, risk-taking, and competitive aggressiveness are considered independent aspects of business orientation (Lumpkin & Dess, 1996). In the unidirectional view, entrepreneurial orientation is considered a single quality (Wiklund & Shepherd, 2005), while in the multidimensional view, EO is made up of many factors such as autonomy, proactivity, risk-taking, innovation, and aggressive competition, and these factors are independent of each other (Akinyele et al., 2021). In this study, the author will apply a multidimensional view of entrepreneurial orientation to examine the impact and difference of each EO component on the business performance of women-owned SMEs.

2.2. Business Performance

The performance of the company is defined as a firm's ability to create action and acceptable results (Pfeffer & Salancik, 1978). Therefore, we need a concept and operational systems as well as variables that can be measured to be the corporate performance measurement standards. Business performance can be measured in different ways; some measures are economic value added, return on assets, and return on equity. Alasadi (2007) stated that the performance of SMEs can be seen from the satisfaction of the owner/manager (the dependent variable) on profit, turnover,

and business development. The measurement of business performance through self-assessment of owners/managers was applied in this study. According to Igwe et al. (2019), many previous studies have applied self-report methods to measure business performance, and these data have been verified to be reliable. Therefore, this study used subjective and self-reported measures of business performance. The criteria used to evaluate the business performance of enterprises are inherited from the study of Kaplan and Norton (1993) and Le et al. (2022) based on four aspects of BSC and the general satisfaction of business owners.

2.3. Entrepreneurial Orientation Dimensions and Women-owned SMEs' Business Performance

Entrepreneurial-oriented aspects have been used as an approach to understanding how the behavior of entrepreneurs impacts their performance. The strategic choice theory holds that entrepreneurs determine the direction of their business and act accordingly. These decisions are guided by their orientation. Consistent with this, many studies have concluded that among female entrepreneurs, EO has improved along with their business performance.

2.3.1. Proactiveness and Business Performance

The contemporary business environment requires businesses to be proactive, and the sustainability of the business depends on the ability of female entrepreneurs to stay ahead of the market. In the literature on female entrepreneurs, some researchers have argued that women's social background affects their initiative. This claim is based on the assertion that patriarchy, a social system that women have to deal with, negatively affects their self-esteem (Ahl, 2006). Using this proposition, the level of the initiative of female entrepreneurs is different from that of men (Ahl, 2006). Empirical evidence shows that their initiative significantly influences how entrepreneurs run their businesses. Proactiveness is often viewed as the ability to anticipate and pursue opportunities by being proactive and engaging in emerging markets (Mahmood & Hanafi, 2013). It involves combining proactive and aggressive strategies, such as introducing products or services ahead of the competition and anticipating future needs to change and shape the environment in which a company operates (Keh et al., 2007). The main advantage of proactiveness is that it allows entrepreneurs to predict the moves of their competitors, thus maintaining a first-mover advantage as well as anticipating changes in demand of customer needs (Akinyele et al., 2021). Previous research has shown a positive association between the proactiveness and business performance of enterprises (Mahmood & Hanafi, 2013; Akinyele et al., 2021; Alam et al., 2022; Nuong, 2022). To see more clearly in the context of women-owned SMEs, how

proactiveness affects business performance, the following hypothesis is proposed:

H1: *Proactiveness has a positive and significant effect on business performance.*

2.3.2. Innovation and Business Performance

Innovation reflects a company's tendency to engage with and support new ideas, novelties, experiments, and innovative processes that can create new technological products, services, or processes (Zarrouk et al., 2020). Innovation allows startups to differentiate themselves from other businesses and break away from the traditional way of doing business, thereby preventing failures related to resource shortages, economies of scale, and more (Lukiastuti & Kusuma, 2021). Companies must innovate in response to changes in the external environment. Opportunities can arise from changes in the company's external environment, requiring adopting new innovative strategies to capitalize on them. Jyoti et al. (2011) argued that innovation has helped female entrepreneurs develop new ideas to help them run their businesses effectively.

Similarly, Ayub et al. (2013) and Lestari et al. (2020) found that entrepreneurs must confront and surpass their competitors by innovating in today's fiercely competitive environment. EO & CU (2015) found among Nigerian female entrepreneurs that their innovative and creative activities made it easier for them to generate business ideas, start business plans, and nurture them into adulthood. Sidek et al. (2016), supporting this claim, reported that innovation is found to have a statistically significant positive impact on business performance metrics such as sales growth, market share, ratio profit-to-sales ratio, market development, and new product development and performance of companies. Consequently, innovation has become the most crucial factor in characterizing entrepreneurship and contributing to entrepreneurial organizations' profitability and growth (Hoang & Ngoc, 2019; Dadzie et al., 2021; Alam et al., 2022). To see further, in the context of small and medium enterprises, how innovation affects business performance, the following hypothesis is proposed:

H2: *Innovation has a positive and significant effect on Business Performance.*

2.3.3. Risk-taking and Business Performance

Risk-taking is an aspect of EO that requires a willingness to invest a significant amount of resources in exploiting business opportunities or taking business actions with potentially highly uncertain outcomes (Wiklund & Shepherd, 2003; Keh et al., 2007). It has been recognized as a characteristic of entrepreneurs and entrepreneurial firms, with the general argument that a risk-taking orientation

allows entrepreneurs to seize market opportunities, resulting in higher profits and lucrative business transactions, thus, a solidly successful positive effect (Krauss et al., 2005). The influence of female entrepreneurs' risk-taking activities is variable; while some researchers observe that female entrepreneurs are risk-takers, others argue that they are not risk aversion (Boohene et al., 2008). Several studies have found that risk-taking has a significant impact on technology and creativity (Lukiastuti & Kusuma, 2021). Alam et al. (2022) showed that risk-taking is found to lead to profits and market share. However, some studies have also reported a negative relationship between high risk-taking and business success (Unger et al., 2011; Nuong, 2022). These mixed findings were summarized in the study by Kreiser et al. (2002). They observed a “U” shaped curve relationship between risk-taking and business performance. This assertion implies that, in some cases, lower risk leads to higher performance. The relationship between risk-taking and business performance is contradictory. Accordingly, more research is needed to provide further insights into this association.

To see further in the context of SMEs, how risk-taking affects business performance, the following hypothesis is proposed:

H3: *Risk-taking has a positive and significant effect on Business Performance.*

2.3.4. Competitive Aggressiveness and Business Performance

Competitive aggressiveness refers to the tendency of a business to dare to challenge, to confront its competitors strongly to achieve the goal of entering or improving its position to outperform competitors in the market (Alam et al., 2022). It is reflected by the fighting stance and strong reaction to competitor moves, such as going head-to-head by entering the market defined by the competitors or reacting as retaliation to a competitive challenge by lowering prices. Other strategies that reflect the fierceness of competition include intense price competition, entering the market with a new and superior product, following competitors quickly into the market, and employing aggressive unique surprise tactics (Hughes & Morgan, 2007). Firms that are fiercely competitive see their competitors as enemies that need to be conquered and, therefore, constantly evaluate their competitors to identify and capitalize on their weaknesses (Hughes & Morgan, 2007). According to Akinyele et al. (2021), competitive aggressiveness can enhance a firm's performance to strengthen its position through competitive moves aimed at inefficient or less powerful competitors. Such moves tend to undermine competitors' ability to compete and predict and respond positively to the company's next move (Hughes

& Morgan, 2007). Lumpkin and Dess (1996) believed that entrepreneurial drive is an essential orientation for successful entrepreneurial operations. To see further in the context of small and medium enterprises, how the impact of fierce competition on business performance, the proposed hypothesis is as follows:

H4: *Competitive aggressiveness has a positive and significant effect on business performance.*

2.3.5. Autonomy

Autonomy is “the independent act of an individual or a group in coming up with an idea or a vision and implementing it until its completion” (Lumpkin & Dess, 1996). Autonomy not only means a sovereign act but also denotes the individual's ability to carry out ideas and efforts to realize them (Alam et al., 2022). Individuals with a high need for self-control often prefer to make their own decisions and are less concerned with the opinions and rules of others. There are still many opinions surrounding the relationship between Autonomy and business performance. Some studies found that Autonomy was rated as the essential factor for improving organizational change in the company and has a positive effect on the firm performance (Akinyele et al., 2021). “A higher degree of autonomy leads to higher organizational performance” (Baba, 2011).

In studies involving small businesses, behavior related to Autonomy is often examined by how often managers delegate and how centralized management is (Lumpkin & Dess, 1996). Usually, in small businesses, the owners of these businesses are self-directed and prefer to motivate employees with their ideas and visions and do not want to delegate authority properly. Kusumawardhani (2013) argues that giving Autonomy can bring job satisfaction to employees. However, in some cases, Autonomy can hinder the achievement of goals if more than independence and Autonomy is needed because the employee's actions are not taken into account with factors such as the personality and stage of the company's development. Based on the above observations, the author proposes the following hypothesis:

H5: *Autonomy has a positive and significant effect on Business Performance.*

2.4. Research Framework

This study aims to examine the hypothetical relationship between dimensions of entrepreneurial orientation as independent variables and the business performance of women-owned SMEs as a dependent variable. Six measured variables include the business performance of enterprises, innovation, competitive aggressiveness, proactiveness, risk-taking, and autonomy. Therefore, the following conceptual model is used in this study (Figure 1).

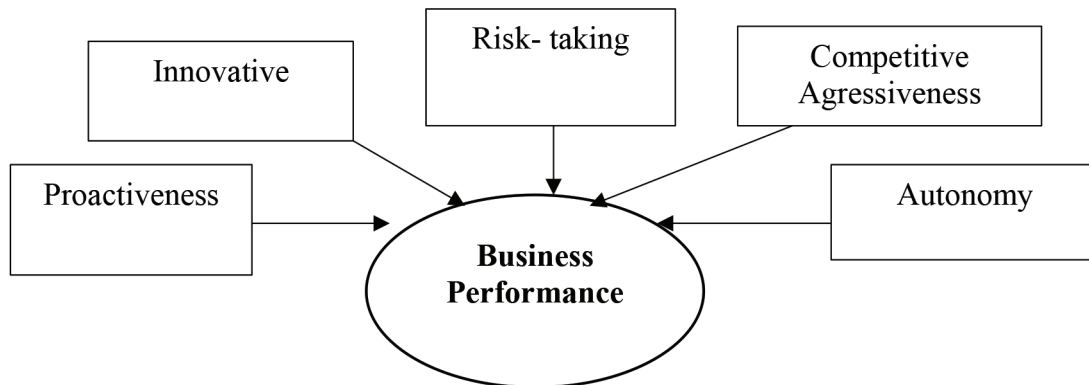


Figure 1: Conceptual Framework of Research

3. Research Methodology

The proposed method to be applied in the research will be a quantitative method in which the researcher will use a survey questionnaire to collect research data. The research participants will be female entrepreneurs who own small and medium enterprises (SMEs) in Vietnam. The list of small and medium enterprises will be extracted from the data of the General Statistics Office. A simple random sampling method was applied to ensure that female entrepreneurs' chances of being selected were equal and objective. Closed questions will be used in the questionnaire to collect data for the study. The survey panel comprises three parts: Part A relates to businesses and respondent profiles. Section B has eighteen (18) items that measure five aspects of business orientation, while Section C has six (6) items on business performance. A 5-point Likert scale will be used in the study. The independent variables are entrepreneurial orientation inherited from the scale of Lumpkin and Dess (1996), and Alam et al. (2022) applied and divided into five dimensions expressed by proactiveness, innovation, risk-taking, competitive aggressiveness, and Autonomy in which respondents indicated the extent to which the items represented their company's strategy. On the other hand, the business performance categories apply measures from previous studies by Kaplan and Norton (1993) and Nuong et al. (2022) and add a scale of overall satisfaction of business owners with business performance.

The data obtained from the questionnaire was analyzed using SPSS version 21.0. The mean and standard deviation were calculated for the items remaining after the EFA. Multivariate regression and analysis of variance (ANOVA) were performed to test the central hypothesis of the model. The decision criterion is to accept the central hypothesis if the significance level is less than 0.05.

4. Results

Generalized regression analysis was used to explain the impact of EO on firm performance. Descriptive statistics such as mean and standard deviation describe the data. Normality, variance, and collinearity tests were performed to test the assumptions of the regression analysis.

4.1. Descriptive Analysis

Table 1 shows that most female entrepreneurs participating in the interviews are aged 35–50, with the number of years of running the business accounting for mainly 3–8 years. This shows that female entrepreneurs in Vietnam start their businesses quite late, this could be due to many reasons, but the main reason may be that most female entrepreneurs have gone to work for businesses as employees or have managed cooperatives and cooperative groups before setting up SMEs. Most of the surveyed enterprises are micro-enterprises, with several employees under 50, accounting for 69%, and mainly working in the service and trade sectors.

4.2. Reliability Test

Check-back techniques are selected from different types of reliability measures. Cronbach's alpha coefficient is used to test the questionnaires to confirm the internal consistency of the research instrument.

Table 2 shows that Cronbach's alpha coefficients are all greater than 0.7, thus ensuring statistical reliability. Therefore, this implies that the variables are internally consistent, and the scale is suitable for further analyses.

Table 1: Information on Female CEOs and Their Business

Criteria	Number of People	(%)	Criteria	Number of People	%
1. Age			3. Number of employees		
Under 25	5	1.94	Under 50	178	69.0
From 25–35	45	17.4	From 50–100	54	20.93
From 35–50	155	60.0	From 100–200	24	9.3
Over 50	53	20.5	Above 200	2	0.8
2. Experience			4. Type of business		
From 1–3 years	65	25.2	Trade and service	168	65.12
From 3–8 years	99	38.37	Construction & Production	45	17.4
From 8–15 years	57	22.1	Agriculture	22	8.5
Over 15 years	37	14.3	Others	23	8.9

Table 2: Summary of Cronbach's Alpha Coefficients of Observed Variables

Factors	Number of Variables	Cronbach's Alpha
Inno (Innovative)	5	0.894
Pro (Pro-activeness)	4	0.796
Risk (Risk-taking)	6	0.848
Compe (Competitive Aggressiveness)	5	0.836
Auto (Autonomy)	5	0.915
BP (Business Performance)	5	0.745

4.3. AFA Analysis

The results of the second rotation matrix analysis (EFA) with 23 independent variables (after removing the variables Risk 1 and Risk 4 in the first rotation of the matrix) were divided into five groups of factors as before, without the multiplier group newly created factors, all variables have Factor loading coefficient greater than 0.5, showing that factor analysis is appropriate.

4.4. Model Testing of Dimensions of EO and Business Performance of Women-owned SMEs in Vietnam

From the theoretical model to study the relationship between the dimensions of EO (proactiveness, innovation, risk-taking, competitive aggressiveness, and Autonomy) and the business performance of enterprises. To estimate

the parameters in the model, the dimensions affecting the business performance are calculated by the sum of the observed variables of each factor. The regression equation uses the least squares method, with the ENTER method, due to the nature of the research being exploratory. The criteria selected in the regression hypothesis test include multicollinearity ($VIF < 3$) and; the White test with a significance level $p > 0.05$ (95% confidence level) to ensure that there is no multicollinearity phenomenon and the phenomenon of variance does not appear.

4.4.1. Check the Goodness of The Model Fit

The assumption of independence of residuals is also not violated, as shown by the Durbin-Watson coefficient of 1,741, ranging from 1 to 3. According to Trong & Ngoc (2008) if $1 < d < 3$, then the model concludes that there is no residual autocorrelation; if $0 < d < 1$, then the model has positive autocorrelation, if $3 < d < 4$ then the model has negative autocorrelation. Therefore, it can be concluded that the independence of the residuals is guaranteed (Table 3).

The evaluation of the R^2 value above shows that the linear regression model built is appropriate when all five dimensions of EO explain 76.7% of the business performance of small and medium enterprises while other factors explain the rest. However, to be able to infer this model into a model of the population, we need to conduct an F -test through analysis of variance.

According to the results in Table 4, analysis of variance (ANOVA) shows that $\text{Sig.} = 0.000 < 0.05$. Thus, the model of EO dimensions affecting business performance is consistent with the actual research data. In other words, the independent variables are linearly related to the dependent variables with a 95% confidence level.

4.4.2. Results of Regression Analysis

The results of testing the assumptions of the regression model drawn from the Enter method also show that the assumptions are not violated, and there is no multicollinearity because VIF is less than 3.

The results from Table 5 show that there are only five independent variables (including Innovative, Pro-activeness, Risk-taking, Competitive Aggressiveness, and Autonomy of the model have statistical significance because of the Sig value < 0.05 (at the 95% confidence level), moreover, these regression coefficients are all >0, that is, they all have a positive effect except for the risk-taking variable, which has a negative impact on business performance due to negative coefficient.

The regression has the following form:

$$BP = 385 + 0.328 \text{ Inno} + 0.301 \text{ Pro} + (-0.111) \text{ Risk} + 0.134 \text{ Compe} + 0.220 \text{ Auto}$$

From the regression equation, conclusions can be drawn from the research sample that Business Performance (BP)

depends on five factors (1) Innovative (Inno), (2) Pro-activeness (Pro), (3) Risk-taking (Risk), (4) Competitive Aggressiveness (Compe) (5) Autonomy (Auto). A 5-level Likert scale measures the observed variables, so from the regression equation, we can conclude the impact of each factor on the business performance (BP). Thus, all five hypotheses given above are accepted.

5. Discussion

Hypothesis one suggests that proactiveness has a significant impact on business growth. The results of this study are consistent with that of Alam et al. (2022) and Mahmood and Hanafi (2013), that proactive companies outperform their competitors because they react quickly to market changes and become industry leaders with the opportunities they find ahead of their competitors. Therefore, EO and performance/growth found a positive relationship between initiative and performance. Proactivity impacts business results; we see every business being accountable, finding solutions, having control, and being eager to tackle

Table 3: Model Summary

R	R ²	Adjusted R ²	Std. the Error in the Estimate	Change Statistics					Durbin-Watson
				R Square Change	F Change	df1	df2	Sig. F Change	
0.878 ^a	0.771	0.767	0.32491	0.771	170.444	5	253	0.000	1.741

Table 4: ANOVA

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	89.967	5	17.993	170.444	0.000 ^b
Residual	26.709	253	0.106		
Total	116.676	258			

Table 5: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	0.385	0.202		1.907	0.058		
	Inno	0.328	0.044	0.339	7.407	0.000	0.432	2.313
	Pro	0.301	0.057	0.246	5.260	0.000	0.412	2.425
	Risk	-0.111	0.025	-0.162	-4.437	0.000	0.676	1.480
	Compe	0.134	0.053	0.120	2.518	0.012	0.400	2.500
	Auto	0.220	0.053	0.189	4.177	0.000	0.440	2.274

^aDependent Variable: BP.

new challenges like the entry of imported products will become competitors of domestic SMEs.

Hypothesis two suggests that business innovation has a significant impact on revenue growth. This study's results are consistent with Wiklund and Shepherd (2003), agreeing that entrepreneurship cannot exist without innovation, and innovation is an essential part of a strategy. Their findings suggest a positive relationship between innovation and firm performance. Therefore, the importance of innovations, a variable that contributes to the measurement of EO and performance, is indisputable. Innovation has a significant impact on business performance. This is characterized by an effort to generate new product ideas and implement new market-ready product designs to meet consumer needs; this step is supported by searching for more efficient business process steps that can improve a business's competitive advantage.

Hypothesis three suggests that business risk-taking has a significant effect on profitability. However, the research results show that risk-taking negatively affects business results. This result is in contrast to the results of Akinyele et al. (2021) and Alam et al. (2022) that risk-taking behavior contributes to the business performance of female entrepreneurs. It also contrasts with the respondents' claim that taking on risks expressed as conducting research before undertaking an investment and ensuring the business is essential to the business. Risk-taking is vital in business development, considering taking risks when investing, trying out new designs, wanting to outperform competitors, and striving to find opportunities that give businesses a competitive advantage in the future and possibly escalate to industrialization. However, the results of this study agree with the results of Mandawa (2016) and Nuong (2022) when it shows that risk-taking in women-owned SMEs negatively affects performance. The explanation for this result may be that female entrepreneur in the study often use personal feelings in business activities without long-term plans, so taking risks is often not practical but sometimes bring significant failures.

Hypothesis four suggests that entrepreneurial activity has a significant effect on productivity. Mahmood and Hanafi (2013) examine the mediating effect of competitive advantage on the relationship between business orientation and women-owned small and medium-sized enterprises (SMEs) performance. Development shows that fierce competition has been shown to improve corporate performance. The results of this study are consistent with Akinyele et al. (2021) study that aggressively competitive companies often deal with such challenges with head-to-head confrontation.

Hypothesis five suggests that Autonomy has a positive effect on firm performance. The results of this study are consistent with the study of Akinyele et al. (2021) and Alam et al. (2022), that autonomy positively impacts the performance of SMEs in Nigeria and Malaysia, respectively.

6. Conclusion

Based on the findings, the study concluded that entrepreneurial orientation is helpful as a predictor of the performance of women-owned SMEs in Vietnam. All entrepreneurial-oriented dimensions: innovation, proactiveness, competitive aggressiveness, and Autonomy, have a significant positive impact on business performance, except risk-taking, which has a significant negative impact on business performance. This study contributes to a deeper understanding of the multidimensional framework of business orientation. Innovation, proactiveness, risk-taking, competitive aggressiveness, and Autonomy are single structures that can be tested separately.

The proposed framework applied in the study will provide some insights and overviews for SMEs, specifically women entrepreneurs, by explaining the influence of entrepreneurial orientation on business efficiency. This study will also add to the entrepreneurship literature as it applies the five dimensions of EO to which many previous studies have applied three aspects. The study results will also be necessary to policymakers in assisting them in implementing programs and activities for developing women entrepreneurs more effectively. The findings generated later from this study will assist female entrepreneurs in determining which factors need more attention. In addition, business today is much more challenging than before, and staying in business requires a better strategy.

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