

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE & MANAGEMENT

I
J
R
C
M



A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

Indexed & Listed at:

Ulrich's Periodicals Directory ©, ProQuest, U.S.A., Cabell's Directories of Publishing Opportunities, U.S.A., Google Scholar,

Indian Citation Index (ICI), J-Gate, India [link of the same is duly available at Infibnet of University Grants Commission (U.G.C.)],

Index Copernicus Publishers Panel, Poland with IC Value of 5.09 (2012) & number of libraries all around the world.

Circulated all over the world & Google has verified that scholars of more than 7144 Cities in 197 countries/territories are visiting our journal on regular basis.

Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA

<http://ijrcm.org.in/>

CONTENTS

Sr. No.	TITLE & NAME OF THE AUTHOR (S)	Page No.
1.	<p>PERCEPTION OF BENEFICIARIES REGARDING ROLE AND BEHAVIOUR OF HIMACHAL PRADESH BACKWARD CLASSES FINANCE & DEVELOPMENT CORPORATION (HBCFDC)</p> <p><i>Dr. RAJAN DEVI NEGI & Dr. DEVINDER SHARMA</i></p>	1
2.	<p>THE EFFECT OF ENTREPRENEURIAL ORIENTATION, MARKET ORIENTATION AND LEARNING ORIENTATION ON COMPETITIVE ADVANTAGE AND BUSINESS PERFORMANCE (STUDY ON SMALL BUSINESSES OF FOOD PROCESSING IN PALEMBANG)</p> <p><i>A. JALALUDIN SAYUTI, HERI SETIAWAN, RINI, YAHYA, LISNINI, SILVIANA OKTANISA, MARKONI & ELVIA ZAHARA</i></p>	5
	REQUEST FOR FEEDBACK & DISCLAIMER	10

FOUNDER PATRON**Late Sh. RAM BHAJAN AGGARWAL**

Former State Minister for Home & Tourism, Government of Haryana

Former Vice-President, Dadri Education Society, Charkhi Dadri

Former President, Chinar Syntex Ltd. (Textile Mills), Bhiwani

CO-ORDINATOR**Dr. BHAVET**

Former Faculty, Shree Ram Institute of Engineering & Technology, Urjani

ADVISOR**Prof. S. L. MAHANDRU**

Principal (Retd.), Maharaja Agrasen College, Jagadhri

EDITOR**Dr. NAWAB ALI KHAN**

Professor & Dean, Faculty of Commerce, Aligarh Muslim University, Aligarh, U.P.

CO-EDITOR**Dr. G. BRINDHA**

Professor & Head, Dr.M.G.R. Educational & Research Institute (Deemed to be University), Chennai

EDITORIAL ADVISORY BOARD**Dr. SIKANDER KUMAR**

Vice Chancellor, Himachal Pradesh University, Shimla, Himachal Pradesh

Dr. A SAJEEVAN RAO

Professor & Director, Accurate Institute of Advanced Management, Greater Noida

Dr. CHRISTIAN EHIOBUCHÉ

Professor of Global Business/Management, Larry L Luing School of Business, Berkeley College, USA

Dr. JOSÉ G. VARGAS-HERNÁNDEZ

Research Professor, University Center for Economic & Managerial Sciences, University of Guadalajara, Guadalajara, Mexico

Dr. TEGUH WIDODO

Dean, Faculty of Applied Science, Telkom University, Bandung Technoplex, Jl. Telekomunikasi, Indonesia

Dr. M. S. SENAM RAJU

Professor, School of Management Studies, I.G.N.O.U., New Delhi

Dr. KAUP MOHAMED

Dean & Managing Director, London American City College/ICBEST, United Arab Emirates

Dr. D. S. CHAUBEY

Professor & Dean (Research & Studies), Uttaranchal University, Dehradun

Dr. ARAMIDE OLUFEMI KUNLE

Dean, Department of General Studies, The Polytechnic, Ibadan, Nigeria

Dr. SYED TABASSUM SULTANA

Principal, Matrusri Institute of Post Graduate Studies, Hyderabad

Dr. MIKE AMUHAYA IRAVO

Principal, Jomo Kenyatta University of Agriculture & Tech., Westlands Campus, Nairobi-Kenya

Dr. NEPOMUCENO TIU

Chief Librarian & Professor, Lyceum of the Philippines University, Laguna, Philippines

Dr. BOYINA RUPINI

Director, School of ITS, Indira Gandhi National Open University, New Delhi

Dr. FERIT ÖLÇER

Professor & Head of Division of Management & Organization, Department of Business Administration, Faculty of Economics & Business Administration Sciences, Mustafa Kemal University, Turkey

Dr. SANJIV MITTAL

Professor & Dean, University School of Management Studies, GGS Indraprastha University, Delhi

Dr. SHIB SHANKAR ROY

Professor, Department of Marketing, University of Rajshahi, Rajshahi, Bangladesh

Dr. SRINIVAS MADISHETTI

Professor, School of Business, Mzumbe University, Tanzania

Dr. ABHAY BANSAL

Head, Department of Information Technology, Amity School of Engg. & Tech., Amity University, Noida

Dr. KEVIN LOW LOCK TENG

Associate Professor, Deputy Dean, Universiti Tunku Abdul Rahman, Kampar, Perak, Malaysia

Dr. OKAN VELI ŞAFAKLI

Professor & Dean, European University of Lefke, Lefke, Cyprus

Dr. V. SELVAM

Associate Professor, SSL, VIT University, Vellore

Dr. BORIS MILOVIC

Associate Professor, Faculty of Sport, Union Nikola Tesla University, Belgrade, Serbia

Dr. N. SUNDARAM

Associate Professor, VIT University, Vellore

Dr. IQBAL THONSE HAWALDAR

Associate Professor, College of Business Administration, Kingdom University, Bahrain

Dr. MOHENDER KUMAR GUPTA

Associate Professor, Government College, Hodal

Dr. ALEXANDER MOSESOV

Associate Professor, Kazakh-British Technical University (KBTU), Almaty, Kazakhstan

RODRECK CHIRAU

Associate Professor, Botho University, Francistown, Botswana

Dr. PARDEEP AHLWAT

Associate Professor, Institute of Management Studies & Research, Maharshi Dayanand University, Rohtak

Dr. DEEPANJANA VARSHNEY

Associate Professor, Department of Business Administration, King Abdulaziz University, Saudi Arabia

Dr. BIEMBA MALITI

Associate Professor, School of Business, The Copperbelt University, Main Campus, Zambia

Dr. SHIKHA GUPTA

Associate Professor, Lingaya's Lalita Devi Institute of Management & Sciences, New Delhi

Dr. KIARASH JAHANPOUR

Dean of Technology Management Faculty, Farabi Institute of Higher Education, Karaj, Alborz, I.R. Iran

Dr. SAMBHAVNA

Faculty, I.I.T.M., Delhi

YU-BING WANG

Faculty, department of Marketing, Feng Chia University, Taichung, Taiwan

Dr. TITUS AMODU UMORU

Professor, Kwara State University, Kwara State, Nigeria

Dr. SHIVAKUMAR DEENE

Faculty, Dept. of Commerce, School of Business Studies, Central University of Karnataka, Gulbarga

Dr. THAMPOE MANAGALESWARAN

Faculty, Vavuniya Campus, University of Jaffna, Sri Lanka

Dr. JASVEEN KAUR

Head of the Department/Chairperson, University Business School, Guru Nanak Dev University, Amritsar

SURAJ GAUDEL

BBA Program Coordinator, LA GRANDEE International College, Simalchaur - 8, Pokhara, Nepal

Dr. RAJESH MODI

Faculty, Yanbu Industrial College, Kingdom of Saudi Arabia

Dr. BHAVET

Former Faculty, Shree Ram Institute of Engineering & Technology, Urjani

FORMER TECHNICAL ADVISOR

AMITA

FINANCIAL ADVISOR

NEENA

Investment Consultant, Chambaghat, Solan, Himachal Pradesh

LEGAL ADVISORS

JITENDER S. CHAHAL

Advocate, Punjab & Haryana High Court, Chandigarh U.T.

CHANDER BHUSHAN SHARMA

Advocate & Consultant, District Courts, Yamunanagar at Jagadhri

SUPERINTENDENT

SURENDER KUMAR POONIA

CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to the recent developments & practices in the areas of Computer Science & Applications; Commerce; Business; Finance; Marketing; Human Resource Management; General Management; Banking; Economics; Tourism Administration & Management; Education; Law; Library & Information Science; Defence & Strategic Studies; Electronic Science; Corporate Governance; Industrial Relations; and emerging paradigms in allied subjects like Accounting; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Rural Economics; Co-operation; Demography; Development Planning; Development Studies; Applied Economics; Development Economics; Business Economics; Monetary Policy; Public Policy Economics; Real Estate; Regional Economics; Political Science; Continuing Education; Labour Welfare; Philosophy; Psychology; Sociology; Tax Accounting; Advertising & Promotion Management; Management Information Systems (MIS); Business Law; Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labour Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; International Relations; Human Rights & Duties; Public Administration; Population Studies; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism & Hospitality; Transportation Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic; Web Design and emerging paradigms in allied subjects.

Anybody can submit the **soft copy** of unpublished novel; original; empirical and high quality **research work/manuscript** **anytime** in **M.S. Word format** after preparing the same as per our **GUIDELINES FOR SUBMISSION**; at our email address i.e. infoijrcm@gmail.com or online by clicking the link **online submission** as given on our website ([FOR ONLINE SUBMISSION, CLICK HERE](#)).

GUIDELINES FOR SUBMISSION OF MANUSCRIPT

1. **COVERING LETTER FOR SUBMISSION:**

DATED: _____

THE EDITOR

IJRCM

Subject: SUBMISSION OF MANUSCRIPT IN THE AREA OF

(e.g. Finance/Mkt./HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)

DEAR SIR/MADAM

Please find my submission of manuscript titled ' _____ ' for likely publication in one of your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published anywhere in any language fully or partly, nor it is under review for publication elsewhere.

I affirm that all the co-authors of this manuscript have seen the submitted version of the manuscript and have agreed to inclusion of their names as co-authors.

Also, if my/our manuscript is accepted, I agree to comply with the formalities as given on the website of the journal. The Journal has discretion to publish our contribution in any of its journals.

NAME OF CORRESPONDING AUTHOR :

Designation/Post* :

Institution/College/University with full address & Pin Code :

Residential address with Pin Code :

Mobile Number (s) with country ISD code :

Is WhatsApp or Viber active on your above noted Mobile Number (Yes/No) :

Landline Number (s) with country ISD code :

E-mail Address :

Alternate E-mail Address :

Nationality :

* i.e. Alumnus (Male Alumni), Alumna (Female Alumni), Student, Research Scholar (M. Phil), Research Scholar (Ph. D.), JRF, Research Assistant, Assistant Lecturer, Lecturer, Senior Lecturer, Junior Assistant Professor, Assistant Professor, Senior Assistant Professor, Co-ordinator, Reader, Associate Professor, Professor, Head, Vice-Principal, Dy. Director, Principal, Director, Dean, President, Vice Chancellor, Industry Designation etc. **The qualification of author is not acceptable for the purpose.**

NOTES:

- a) The whole manuscript has to be in **ONE MS WORD FILE** only, which will start from the covering letter, inside the manuscript. **pdf. version is liable to be rejected without any consideration.**
 - b) The sender is required to mention the following in the **SUBJECT COLUMN of the mail:**
New Manuscript for Review in the area of (e.g. Finance/Marketing/HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)
 - c) There is no need to give any text in the body of the mail, except the cases where the author wishes to give any **specific message** w.r.t. to the manuscript.
 - d) The total size of the file containing the manuscript is expected to be below **1000 KB**.
 - e) Only the **Abstract will not be considered for review** and the author is required to submit the **complete manuscript** in the first instance.
 - f) **The journal gives acknowledgement w.r.t. the receipt of every email within twenty-four hours** and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of the manuscript, within two days of its submission, the corresponding author is required to demand for the same by sending a separate mail to the journal.
 - g) The author (s) name or details should not appear anywhere on the body of the manuscript, except on the covering letter and the cover page of the manuscript, in the manner as mentioned in the guidelines.
2. **MANUSCRIPT TITLE:** The title of the paper should be typed in **bold letters, centered and fully capitalised.**
 3. **AUTHOR NAME (S) & AFFILIATIONS:** Author (s) **name, designation, affiliation (s), address, mobile/landline number (s), and email/alternate email address** should be given underneath the title.
 4. **ACKNOWLEDGMENTS:** Acknowledgements can be given to reviewers, guides, funding institutions, etc., if any.
 5. **ABSTRACT:** Abstract should be in **fully Italic printing**, ranging between **150 to 300 words**. The abstract must be informative and elucidating the background, aims, methods, results & conclusion in a **SINGLE PARA. Abbreviations must be mentioned in full.**
 6. **KEYWORDS:** Abstract must be followed by a list of keywords, subject to the maximum of **five**. These should be arranged in alphabetic order separated by commas and full stop at the end. All words of the keywords, including the first one should be in small letters, except special words e.g. name of the Countries, abbreviations etc.
 7. **JEL CODE:** Provide the appropriate Journal of Economic Literature Classification System code (s). JEL codes are available at www.aea-web.org/econlit/jelCodes.php. However, mentioning of JEL Code is not mandatory.
 8. **MANUSCRIPT:** Manuscript must be in **BRITISH ENGLISH** prepared on a standard A4 size **PORTRAIT SETTING PAPER. It should be free from any errors i.e. grammatical, spelling or punctuation. It must be thoroughly edited at your end.**
 9. **HEADINGS:** All the headings must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.
 10. **SUB-HEADINGS:** All the sub-headings must be bold-faced, aligned left and fully capitalised.
 11. **MAIN TEXT:**

THE MAIN TEXT SHOULD FOLLOW THE FOLLOWING SEQUENCE:**INTRODUCTION****REVIEW OF LITERATURE****NEED/IMPORTANCE OF THE STUDY****STATEMENT OF THE PROBLEM****OBJECTIVES****HYPOTHESIS (ES)****RESEARCH METHODOLOGY****RESULTS & DISCUSSION****FINDINGS****RECOMMENDATIONS/SUGGESTIONS****CONCLUSIONS****LIMITATIONS****SCOPE FOR FURTHER RESEARCH****REFERENCES****APPENDIX/ANNEXURE****The manuscript should preferably be in 2000 to 5000 WORDS, But the limits can vary depending on the nature of the manuscript.**

12. **FIGURES & TABLES:** These should be simple, crystal **CLEAR, centered, separately numbered** & self-explained, and the **titles must be above the table/figure. Sources of data should be mentioned below the table/figure. It should be ensured that the tables/figures are referred to from the main text.**
13. **EQUATIONS/FORMULAE:** These should be consecutively numbered in parenthesis, left aligned with equation/formulae number placed at the right. The equation editor provided with standard versions of Microsoft Word may be utilised. If any other equation editor is utilised, author must confirm that these equations may be viewed and edited in versions of Microsoft Office that does not have the editor.
14. **ACRONYMS:** These should not be used in the abstract. The use of acronyms is elsewhere is acceptable. Acronyms should be defined on its first use in each section e.g. Reserve Bank of India (RBI). Acronyms should be redefined on first use in subsequent sections.
15. **REFERENCES:** The list of all references should be alphabetically arranged. **The author (s) should mention only the actually utilised references in the preparation of manuscript** and they may follow Harvard Style of Referencing. **Also check to ensure that everything that you are including in the reference section is duly cited in the paper.** The author (s) are supposed to follow the references as per the following:
- All works cited in the text (including sources for tables and figures) should be listed alphabetically.
 - Use **(ed.)** for one editor, and **(ed.s)** for multiple editors.
 - When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc., in chronologically ascending order.
 - Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
 - The title of books and journals should be in italic printing. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
 - For titles in a language other than English, provide an English translation in parenthesis.
 - **Headers, footers, endnotes and footnotes should not be used in the document.** However, **you can mention short notes to elucidate some specific point**, which may be placed in number orders before the references.

PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:

BOOKS

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

CONTRIBUTIONS TO BOOKS

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

JOURNAL AND OTHER ARTICLES

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

CONFERENCE PAPERS

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–23

UNPUBLISHED DISSERTATIONS

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

ONLINE RESOURCES

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

WEBSITES

- Garg, Bhavet (2011): Towards a New Gas Policy, Political Weekly, Viewed on January 01, 2012 <http://epw.in/user/viewabstract.jsp>

**THE EFFECT OF ENTREPRENEURIAL ORIENTATION, MARKET ORIENTATION AND LEARNING ORIENTATION
ON COMPETITIVE ADVANTAGE AND BUSINESS PERFORMANCE
(STUDY ON SMALL BUSINESSES OF FOOD PROCESSING IN PALEMBANG)**

A. JALALUDIN SAYUTI
ASSOCIATE PROFESSOR
DEPARTMENT OF BUSINESS ADMINISTRATION
SRIWIJAYA STATE POLYTECHNIC
PALEMBANG, INDONESIA

HERI SETIAWAN
ASSOCIATE PROFESSOR
DEPARTMENT OF BUSINESS ADMINISTRATION
SRIWIJAYA STATE POLYTECHNIC
PALEMBANG, INDONESIA

RINI
ASSOCIATE PROFESSOR
DEPARTMENT OF BUSINESS ADMINISTRATION
SRIWIJAYA STATE POLYTECHNIC
PALEMBANG, INDONESIA

YAHYA
ASSOCIATE PROFESSOR
DEPARTMENT OF BUSINESS ADMINISTRATION
SRIWIJAYA STATE POLYTECHNIC
PALEMBANG, INDONESIA

LISNINI
ASSOCIATE PROFESSOR
DEPARTMENT OF BUSINESS ADMINISTRATION
SRIWIJAYA STATE POLYTECHNIC
PALEMBANG, INDONESIA

SILVIANA OKTANISA
ASST. PROFESSOR
DEPARTMENT OF BUSINESS ADMINISTRATION
SRIWIJAYA STATE POLYTECHNIC
PALEMBANG, INDONESIA

MARKONI
ASSOCIATE PROFESSOR
DEPARTMENT OF BUSINESS ADMINISTRATION
SRIWIJAYA STATE POLYTECHNIC
PALEMBANG, INDONESIA

ELVIA ZAHARA
ASSOCIATE PROFESSOR
DEPARTMENT OF BUSINESS ADMINISTRATION
SRIWIJAYA STATE POLYTECHNIC
PALEMBANG, INDONESIA

ABSTRACT

The relationship between entrepreneurial orientation, market orientation, learning orientation, competitive advantage and business performance, especially small business of food processing is interesting to study. 179 people involved in small business of food processing are the sample of this study. Path analysis is used in this study to measure the magnitude of the influence between variables. The findings indicate that the entrepreneurial orientation variable and learning orientation has a significant effect on competitive advantage. Market orientation variable has no significant effect on competitive advantage. The competitive advantage variable has a significant effect on business performance. The results of this study can contribute to small businesses in increasing business excellence and performance.

KEYWORDS

entrepreneurial orientation, market orientation, learning orientation.

JEL CODES

L26, M21, M10.

INTRODUCTION

Competition among business firms has increased with the rapid globalization of markets and has led to more dynamic and numerous markets all over the world (Kwak et al., 2013). In this scenario, small businesses are relatively more open to external pressures than large firms. Due to its size, small businesses tend to face difficulties in acquiring human resources and modern technology to make a profit. These businesses must rely on the resources and capabilities of the owners. Thus, these owner skills are critical to the success and survival of a small business. Both market orientation and entrepreneurship not only enable business to absorb the pressures created by the dynamic and complex business environment, but also help them to reap the benefits of new business opportunities. Businesses that do not adopt a market orientation and entrepreneurship soon disappear from the market. Resource Based View (RBV) explains that market orientation and entrepreneurship are two different complementary strategic orientations (Miles and Arnold, 1991).

Market orientation is described as a company's tendency to create and deliver superior value to customers (Narver and Slater, 1990b). This requires the recognition and understanding of customers and competitors to achieve a sustainable competitive advantage (Johnson et al., 2012). Market-oriented activities and behaviors involve proactively seeking opportunities in the marketplace, delivering superior customer value and future market positioning. Raju et al., (2011) in their conceptual study provide a summary of the studies conducted on SMEs and show that 13 of the 16 cases show a significant positive relationship between market orientation and firm performance. Liao et al., (2011) provide a summary of 38 studies and conclude that 36 studies show that market orientation contributes to performance in various ways such as customer focus, delivering superior customer value and shaping organizational culture. Some researchers have suggested that firms should adopt a market orientation and entrepreneurship to achieve more than normal returns (Kwak et al., 2013).

An entrepreneurial orientation is considered an important driver of sustainable growth and superior performance (Kraus et al., 2012). The entrepreneurial orientation construct represents the strategic posture of the organization and considers various aspects such as entrepreneurial methods, practices and decision-making styles (Lumpkin and Dess, 2001). According to Shane and Venkataraman (2000), entrepreneurial orientation represents the company's tendency towards identifying and exploiting market opportunities to achieve competitive advantage. The positive relationship of entrepreneurial orientation with performance in several cultural and operational environments has been studied in several studies (Rauch et al., 2009). In this context, entrepreneurial orientation has been viewed as a multidimensional construct, and should have a significant influence on firm performance. Although the effect of entrepreneurial orientation on firm performance is influenced by firm size and nation's culture (Rauch et al., 2009), learning orientation also plays an important role in improving firm performance (Wang, 2008). Therefore, this study attempts to investigate the effects of entrepreneurial orientation, market orientation, and learning orientation on competitive advantage and Small Business performance.

LITERATURE REVIEW**ENTREPRENEURIAL ORIENTATION**

The concept of entrepreneurship has received much attention by researchers over the last two decades (Eggers et al., 2013). It refers to an activity, based on opportunity and which creates value and is strongly linked to risk and innovation (Sexton and Kasarda, 1991). Entrepreneurial orientation refers to the strategic management style of companies that have entrepreneurial tendencies (Becherer and Maurer, 1997). Lumpkin and Dess (2001) define innovation as a company's tendency to engage in and support new ideas, novelty, experiment, and creative processes that can result in new products, services, or processes. Rauch et al., (2009) describe it as the willingness of entrepreneurs to encourage and support experimental creativity in the form of launching new or better products or services or in terms of technological supremacy through research and development in organizational procedures.

MARKET ORIENTATION

Market orientation being a fundamental construct in the marketing literature has attracted the interest of many researchers over the last two decades (Theodosiou et al., 2012). Market orientation is considered as an important driver of business performance and its importance cannot be denied regardless of culture and market as its strong relationship with business performance (Kwak et al., 2013). Several studies have emphasized the relationship between the level of market orientation and business performance (Dubihlela, 2013). The majority of studies investigate market orientation from either a cultural or behavioral perspective (Theodosiou et al., 2012). Narver and Slater (1990) define market orientation from a cultural perspective as the organizational culture that most effectively creates the behaviors necessary to create superior value for buyers and, thus, sustainable superior performance for the business. The cultural perspective emphasizes organizational values and norms related to market orientation and consists of three components, namely competitor orientation, customer orientation and coordination between functions (Narver and Slater, 1990).

LEARNING ORIENTATION

Learning orientation is conceptualized as basic attitudes towards learning, for example, organizational and managerial characteristics that facilitate organizational learning processes (Real et al., 2012). In this context, learning orientation is seen as corporate values that influence the company's tendency to create and use knowledge (Zhao et al., 2011), and management's commitment to support a culture that encourages learning orientation as one of the main values (Real et al., 2012). As the company gets bigger, commitment to learning plays an important role in developing assets and capabilities related to its main activities (Wang, 2008). If a company is small and less learning-oriented than its competitors, it may have less innovation (Pesämaa et al., 2013) and substantial difficulties in terms of survival (Rhee et al., 2010). Previous studies have found that learning orientation has a significant impact on the performance of SMEs (Real et al., 2012). Maes and Sels (2014) considers that learning is the main component of any effort to improve competitive advantage and organizational performance.

COMPETITIVE ADVANTAGE

Competitive advantage is the company's ability to create superior value by utilizing various available resources. Competitive advantage is a set of features of a company and its products that are accepted by the target market as an important factor in competition (Lamb, Hair, and McDaniel, 2001). There are three types of competitive advantage, namely cost competitive advantage, differential competitive advantage and niche competitive advantage. Competitive strategy is divided into three general strategies, namely differentiation, cost advantage and focus strategy. Differentiation is a strategy to provide a different offer compared to the offers provided by competitors. Cost advantage is a strategy to streamline all production costs so as to produce products or services that can be sold cheaper than competitors. Competitive advantage can be achieved through customer focus, achievement of quality, integrity and responsibility, innovation and creativity, low-cost production.

BUSINESS PERFORMANCE

Improving performance is the main target of entrepreneurial organizations (Wiklund and Shepherd, 2003). Various performance measures, which were applied in different entrepreneurship studies, however, did not provide a justification for choosing a course of action (Murphy *et al.*, 1996). According to Murphy *et al.*, (1996), most of the empirical studies of entrepreneurial orientation research are associated with performance as the dependent variable. Stam and Elfring (2008) contribute to the performance of learning orientation as a measurement of organizational performance through the speed of service delivery. O'Sullivan and Abela (2007) contributed market share as a measurement dimension of contextual performance measurement. A review of the literature shows that measurement can be carried out both subjectively and objectively for many researchers and realize that self-reported data or subjective measurements are easier (Stam and Elfring, 2008).

OBJECTIVES OF THE STUDY

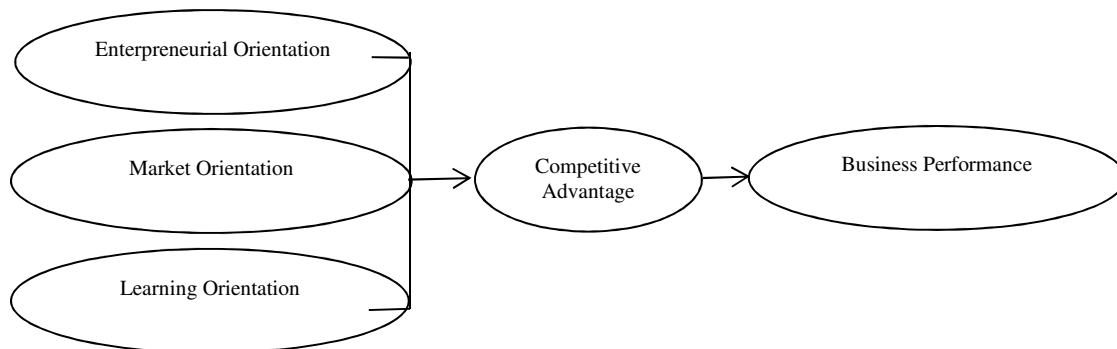
1. To find the effect of entrepreneurial orientation, market orientation and learning orientation on competitive advantage.
2. To find out the effect of competitive advantage on business performance.

RESEARCH METHODS

The population in this study are small and medium industries engaged in food products in Palembang with the total of 325 respondents, then the number of samples as many as 179 people. The analytical method used in this research is path analysis. Path analysis is a study of the dependence of the dependent variable with one or more independent variables with the aim of estimating the values of the dependent variable based on the known value of the independent variable (Ghozali, 2005).

Validity test is used to measure how accurate a test carries out its measuring function. In this study, the item validity test was used using internal criteria, namely comparing the suitability of each question with the overall score of each question with the overall total score. Validity test is also the ability of indicators to measure the level of accuracy of a concept (Sugiyono, 2010). With a significance level of 95%, a variable is said to be reliable if the variable has a coefficient *Cronbach* 0.60. A good framework will explain theoretically the relationship between the variables to be studied. Therefore, theoretically, it is necessary to explain the relationship between the independent and dependent variables. The conceptual framework of the research can be explained in the following figure.

FIGURE 1: RESEARCH FRAMEWORK



RESULTS AND DISCUSSION

Characteristics of respondents based on age, last education, type of business and business ownership duration can be explained in table 1 below.

TABLE 1: CHARACTERISTICS OF RESPONDENTS

Characteristics of Respondents	Total (n = 179)	%
Age		
< 25 years	58	32.4
25 – 35 years	50	27.9
36 – 48 years	44	24.6
> 48 years	27	15.1
Education		
Junior High School	23	12.8
Senior High School	100	55.9
Vocational Education	53	29.6
Undergraduate degree	3	1.7
Type of business		
Traditional food	97	54.2
Modern food	82	45.8
Business Ownership duration		
< 1 year	53	29.6
1 - 5 years	89	49.7
> 5 years	37	20.7

The largest respondents are business owners under 25 years old (58 people). Followed by business owners with age category of 25-35 years old (50 people) and 36-48 years old as well as older than 48 year old with number of respondents 44 and 27, consecutively. In terms of education, most of the business owners are graduated from high school (100 people) and follow by vocational education (53 people), junior high school (23 people) and undergraduate degree (3 people). These respondents are mostly involved in traditional food business (97 people) and the businesses have been running for 1-5 years (89 people).

Validity test is a measurement of the processed data showing the extent to which the measuring instrument is able to measure what is expected to be measured. This test was conducted to determine whether the questionnaire could be included in the next analysis. The test is carried out by comparing the product moment or commonly referred to as r_{count} with r_{table} where r_{count} must be greater than r_{table} .

TABLE 2: VALIDITY TEST

	Entrepreneurial Orientation	Market Orientation	Learning Orientation	Competitive Advantage	Business Performance
Entrepreneurial Orientation	1.000	.656**	.680**	.726**	.682**
Market Orientation	.656**	1.000	.755**	.694**	.623**
Learning Orientation	.680**	.755**	1.000	.727**	.686**
Competitive Advantage	.726**	.694**	.727**	1.000	.718**
Business Performance	.682**	.623**	.686**	.727**	1.000

** Correlation is significant at the 0.01 level (2-tailed)

The results of the calculation of r_{count} of entrepreneurial orientation, market orientation, learning orientation, competitive advantage and business performance shows that the value of r_{count} is greater than r_{table} , this means that the data on entrepreneurial orientation, market orientation, learning orientation, competitive advantage and business performance are generally valid and reliable.

TABLE 3: RESEARCH VARIABLE RELIABILITY TEST RESULTS

Variable	No of Item	Item Deleted	Alpha
Entrepreneurial Orientation	10	-	0.9160
Market Orientation	12	-	0.9139
Learning Orientation	10	-	0.9064
Competitive Advantage	11	-	0.8992
Business Performance	10	-	0.9126

The results of the analysis show that all variables have a *Cronbach Alpha* above 0.60 and all concepts measuring each variable from the questionnaire are reliable and the items for each variable are feasible to be used for the instrument.

TABLE 4: PATH ANALYSIS

Independent Variable	Dependent Variable	B	t- value	Sig.
Entrepreneurial Orientation	Competitive Advantage	0.359	5.680	0.000
Market Orientation	Competitive Advantage	0.139	1.851	0.066
Learning Orientation	Competitive Advantage	0.214	2.685	0.008
Competitive Advantage	Business Performance	0.333	4.850	0.000
Constant = 5.704				
R Square = 0,662				
Adj R Square = 0,654				
F Stat = 85.220				
Sig F = 0,000				

Based on the analysis entrepreneurial orientation is significant on the competitive advantage meaning that the relationship between the entrepreneurial orientation variable and competitive advantage is positive and significant. This research supports the research that has been done by Wiklund and Shepherd (2003); Tovstiga and Tulugurova (2009); Mahmood and Hanafi (2013) where the research results state that there is a linear relationship between the entrepreneurial orientation variable and competitive advantage.

Furthermore, market orientation has no effect on competitive advantage indicating that the relationship between market orientation variables and competitive advantage is positive and insignificant. This study supports the research of Zainul *et al.*, (2016) which states that there is no relationship between market orientation variables and competitive advantage. However, the results of this study differ from the research conducted by Juan and Zhou (2010) where the results of his research state that there is a linear relationship between market orientation variables and competitive advantage.

Moreover, the relationship between learning orientation and competitive advantage is found to be significant. This research supports the research that has been done by Maes and Sels (2014); Rhee *et al.*, (2010); Baron *et al.*, 2012; Brettel and Rottenberger, (2013); Hung *et al.*, (2011); Pesämaa *et al.*, (2013); Real *et al.*, (2012); Wincent *et al.*, (2014) which state that there is a linear relationship between learning orientation and competitive advantage.

Lastly, the results of competitive advantage and business performance is also found to be significant and positive. This finding supports the research conducted by Juan and Zhou (2010); Story *et al.*, (2011); Zainul *et al.*, (2016) that found a linear relationship between the variables of competitive advantage and business performance.

CONCLUSIONS AND SUGGESTIONS

This study aims to determine the effect of entrepreneurial orientation, market orientation, learning orientation on competitive advantage and the relationship between competitive advantage on business performance. The results showed that the entrepreneurial orientation variable had a significant effect on competitive advantage. Market orientation variable has no significant effect on competitive advantage. The learning orientation variable has a significant effect on competitive advantage. The competitive advantage variable has a significant effect on business performance. The results of this study can be used as input by small business owners in Palembang in compiling and implementing business strategies so that they can compete and improve business performance.

REFERENCES

- Baron, R.A., Hmieleski, K.M. dan Henry, R.A. 2012. 'Entrepreneurs' dispositional positive affect: the potential benefits—and potential costs—of being 'up', *Journal of Business Venturing*, 27 (3), pp. 310-324.
- Becherer, R. C. and Maurer, J. G. 1997. The moderating effect of environmental variables on the entrepreneurial and marketing orientation of entrepreneurial firms. *Entrepreneurship Theory and Practice*. 87(1), pp. 47-58.
- Brettel, M. dan Rottenberger, J.D. 2013. 'Examining the link between entrepreneurial orientation and learning processes in small and medium-sized enterprises', *Journal of Small Business Management*, 51(4), pp. 471-490.
- Dubihlela, J. 2013. Determinants of market orientation adoption among small and medium enterprises (SMEs) in South Africa. *Mediterranean Journal of Social Sciences*. 4(6), pp. 55.
- Eggers, F., Kraus, S., Hughes, M., Laraway, S. dan Snyckerski, S. 2013. Implications of customer and entrepreneurial orientations for SME growth. *Management Decision*. 51(3), pp. 524-546.
- Ghozali, Imam. 2005. *Application of Multivariate Analysis with SPSS Programme*, 3th edition, Semarang, BP UNDIP.
- Hung, R.Y.Y., Lien, B.Y-H., Yang, B., Wu, C-M. dan Kuo, Y-M. 2011. 'Impact of TQM and organizational learning on innovation performance in the high-tech industry', *International Business Review*, 20 (2), pp.213-225.
- Johnson, J. L., Martin, K. D. dan Saini, A. 2012. The role of a firm's strategic orientation dimensions in determining market orientation. *Industrial marketing management*. 41(4), pp. 715-724.
- Juan, J. L., dan Zhou, K. Z. 2010. How foreign firms achieve competitive advantage in the Chinese emerging economy: managerial ties and market orientation. *Journal of Business Research*, 63, pp. 856-862.
- Kraus, S., Rigtering, J. C., Hughes, M. dan Hosman, V. 2012. Entrepreneurial orientation and the business performance of SMEs: a quantitative study from the Netherlands. *Review of Managerial Science*. 6(2), pp. 161-182.
- Kwak H., Jaju A., Puzakova M. dan Rocereto J. F. 2013. "The connubial relationship between market orientation and entrepreneurial orientation", *Journal of Marketing Theory and Practice*, 21 (2), pp. 141-161.
- Lamb, Charles W; Hair, Joseph F; McDaniel, Carl. 2001. *Pemasaran*. Edisi Pertama, Jakarta, Salemba Empat.
- Liao, S.-H., Chang, W.-J., Wu, C.-C. dan Katrichis, J. M. 2011. A survey of market orientation research (1995-2008). *Industrial marketing management*. 40(2), pp. 301-310.
- Lumpkin, G.T. dan Dess, G.G. 2001. Linking two dimensions of entrepreneurial orientation to firm performance: the moderating role of environment and industry life cycle. *Journal of Business Venturing*, 16 (5), pp. 429-451.
- Maes, J. dan Sels, L. 2014. 'SMEs' radical product innovation: the role of internally and externally oriented knowledge capabilities', *Journal of Small Business Management*, 52 (1), pp.141-163.
- Mahmood, Rosli dan Hanafi, Norshafizah. 2013. Learning Orientation and Business Performance of Women-Owned Small and Medium Enterprises in Malaysia: Competitive Advantage as a Mediator, *International Journal of Business and Social Science*, 4 (1), pp. 82-90.

17. Miles, M. P. dan Arnold, D. R. 1991. The relationship between marketing orientation and entrepreneurial orientation. *Entrepreneurship Theory and Practice*. 15(4), pp. 49-65.
18. Murphy, Gregory B; Trailer, Jeff. W dan Hill, Robert C. 1996. Measuring performance in entrepreneurship research, *Journal of Business Research*, 36 (1), pp. 15-23.
19. Narver, J. C. dan Slater, S. F. 1990a. The effect of a market orientation on business profitability. *The Journal of Marketing*. Pp. 20-35.
20. O'Sullivan, D. dan Abela, A. V. 2007. "Marketing Performance Measurement Ability and Firm Performance", *Journal of Marketing*, 71 (2), pp. 79-93.
21. Pesämaa, O., Shoham, A., Wincent, J. dan Ruvio, A.A. 2013. 'How a learning orientation affects drivers of innovativeness and performance in service delivery', *Journal of Engineering and Technology Management*, 30 (2), pp.169-187.
22. Raju, P., Lonial, S. C. dan Crum, M. D. 2011. Market orientation in the context of SMEs: A conceptual framework. *Journal of Business Research*. 64(12), pp. 1320-1326.
23. Rauch, A., Wiklund, J., Lumpkin, G. T. dan Frese, M. 2009. Entrepreneurial orientation and business performance: An assessment of past research and suggestions for the future. *Entrepreneurship Theory and Practice*. 33(3), pp. 761-787.
24. Real, J.C., Roldán, J.L. dan Leal, A. 2012. 'From entrepreneurial orientation and learning orientation to business performance: analysing the mediating role of organizational learning and the moderating effects of organizational size', *British Journal of Management*, pp.1-23.
25. Rhee, J., Park, T. dan Lee, D.H. 2010. 'Drivers of innovativeness and performance for innovative SMEs in South Korea: mediation of learning orientation', *Technovation*, 30 (1), pp. 65-75.
26. Sexton, D. L. dan Kasarda, J. D. (1991). *State of the Art of Entrepreneurship*. Boston: P.S.W Kent Publishing Co.
27. Shane, S. dan Venkataraman, S. 2000. The promise of entrepreneurship as a field of research. *Academy of Management Review*. 25(1), pp. 217-226.
28. Stam W, dan Elfring T. 2008. Entrepreneurial orientation and new venture performance: the moderating role of intra and extra industry social capital. *Academic of Management Journal*, 51 (1), pp. 97-111.
29. Story, V., O'Malley, L., dan Hart, S. 2011. Roles, role performance, and radical innovation competences. *Industrial Marketing Management*, 40, pp. 952-966.
30. Sugiyono. 2010. *Business Research Methods*, Bandung, Alfabenta.
31. Theodosiou, M., Kehagias, J. dan Katsikea, E. (2012). Strategic orientations, marketing capabilities and firm performance: An empirical investigation in the context of frontline managers in service organizations. *Industrial Marketing Management*. 41(7), pp. 1058-1070.
32. Tovstiga, G. dan Tulugurova, E. 2009. Intellectual capital practices: a four region comparative study. *Journal of Intellectual Capital*, 10 (1), pp. 70-80.
33. Wang, C. L. 2008. Entrepreneurial orientation, learning orientation, and firm performance. *Entrepreneurship Theory and Practice*. 32(4), pp. 635-657.
34. Wiklund, J. dan Shepherd, D. 2003. Knowledge-Based Resources, Entrepreneurial Orientation, and the Performance of Small and Medium-Sized Businesses. *Strategic Management Journal*, 24, pp. 1307-1314.
35. Wincent, J., Thorgren, S. dan Anokhin, S. 2014. 'Entrepreneurial orientation and network board diversity in network organizations', *Journal of Business Venturing*, 29 (2), pp.327-344.
36. Zainul, Mohammad; Astuti, Endang Siti; Arifin, Zainul dan Utami, Hamidah Nayati. The Effect of Market Orientation toward Organizational Learning, Innovation, Competitive Advantage, and Corporate Performance (A Study at SME Sasirangan in South Kalimantan), *Journal of Administrative Sciences and Policy Studies*, 4 (1), pp. 1-19.
37. Zhao, Y., Li, Y., Lee, S.H. dan Chen, L.B. 2011. 'Entrepreneurial orientation, organizational learning, and performance: evidence from China', *Entrepreneurship Theory and Practice*, 35 (2), pp.293-317.

REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce & Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue, as well as on the journal as a whole, on our e-mail infoijrcm@gmail.com for further improvements in the interest of research.

If you have any queries, please feel free to contact us on our e-mail infoijrcm@gmail.com.

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward to an appropriate consideration.

With sincere regards

Thanking you profoundly

Academically yours

Sd/-

Co-ordinator

DISCLAIMER

The information and opinions presented in the Journal reflect the views of the authors and not of the Journal or its Editorial Board or the Publishers/Editors. Publication does not constitute endorsement by the journal. Neither the Journal nor its publishers/Editors/Editorial Board nor anyone else involved in creating, producing or delivering the journal or the materials contained therein, assumes any liability or responsibility for the accuracy, completeness, or usefulness of any information provided in the journal, nor shall they be liable for any direct, indirect, incidental, special, consequential or punitive damages arising out of the use of information/material contained in the journal. The journal, neither its publishers/Editors/ Editorial Board, nor any other party involved in the preparation of material contained in the journal represents or warrants that the information contained herein is in every respect accurate or complete, and they are not responsible for any errors or omissions or for the results obtained from the use of such material. Readers are encouraged to confirm the information contained herein with other sources. The responsibility of the contents and the opinions expressed in this journal are exclusively of the author (s) concerned.

ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

Our Other Journals

