Entrepreneurial Orientation and Competitiveness of Telecommunication Firms in Rivers State, Nigeria

Macaulay Enyindah Wegwu¹, Sunny Joshua Princewill¹

¹Management Department, University of Port Harcourt, Nigeria

*Corresponding Author: Wegwu Macaulay Enyindah
Email: princewillsunny@yahoo.com

Abstract

This research investigated the connection between the entrepreneurial mindset of telecommunications companies in Rivers State, Nigeria, and their level of market competitiveness. In the state of Rivers, there were a total of 139 managers working for four different telecommunications companies: MTN, 9Mobile, Airtel, and Globacom. The researchers used a straightforward random selection method to choose 103 participants for their investigation. The delivery of a structured questionnaire was used to obtain the primary data for this study. Using Spearman's Rank Order Correlation Coefficient and the Statistical Package for the Social Sciences (SPSS) version 22.0, we examined whether or not the provided hypotheses were supported by the data. According to the findings of the research, the two aspects of entrepreneurial orientation that were chosen (innovativeness and proactiveness) have a substantial connection to an organization's level of competitiveness (quality and market share). According to the findings of the study, the management of telecommunications companies should have an innovative plan to fund innovative ideas, experimentation, and creative processes; they should also introduce new products and services; and they should invest significantly in research and development. Additionally, the management of companies that deal in telecommunications have to take the initiative in the launch of new goods and services whenever possible. When it comes to the current state of the telecommunications industry, they should be recognized as a reputable brand. They should also react more quickly than their rivals do to educational and research opportunities.

Introduction

One way to look about competitiveness is as a balancing process that works in conjunction with more conventional functional processes like management of operations and management of human resources. It makes an organization more capable of successfully competing with other organizations. Both quality and market share are considered separate aspects of competitiveness according to the framework of this research (Aswini, 2013).

It is generally acknowledged that quality practice in today's highly globalized and competitive economy is an essential component of any organization's overall strategy for ensuring its continued existence and future prosperity (Abdi et al., 2018; Yunis et al., 2019). The use of quality as a technique to increase a customer's pleasure is common (Juran, 1979; Deming, 1982). This goal aligns with the market's perspective of what constitutes competitiveness. The ability of an organization to provide consumers with a satisfactory experience and to use quality as a springboard to enhance their goods and services (Aswini, 2013).
Some consider a company's market share to be one of the most important indicators of its competitiveness, or how well it is doing in comparison to other businesses in its industry (Farris et al., 2017). Building a company's client base requires substantial attention to market share, which in turn boosts customer happiness and assures the effective supply of services at the lowest possible relative cost (Aswini, 2013). In addition, market share enables managers to analyze not only the expansion or contraction of the overall market, but also patterns in consumers' preferences regarding the selection of rivals (Farris et al., 2017).

As a tactic for dealing with the unpredictability of the external environment, entrepreneurial orientation gives organizations the ability to be flexible. Autonomy, risk-taking, innovativeness, competitive aggressiveness, and proactiveness are all traits that may foster an organization's capacity to create new goods, give unique product options, and modify production level as required (Chang et al., 2019). For the sake of this investigation, entrepreneurial orientation is broken down into two subcategories: innovativeness and proactiveness (Faria et al., 2015).

One of the most important characteristics of entrepreneurial activity associated with service organizations is innovativeness (Ejdys, 2018). It is regarded the most essential aspect in developing and maintaining a company's competitiveness, as well as the dominating factor in the competitiveness of individual firms (Ejdys, 2018). In an increasingly competitive and globalized economy, innovativeness is a critical business activity that is essential to the survival and competitiveness of companies (Sheu, 2017). Innovation is seen as the foundation of strategic change within the framework of business, and it is via this process that companies may achieve and maintain a competitive edge (Sheu, 2017).

In the context of entrepreneurial orientation, proactiveness refers to an opportunity-seeking and forward-looking perspective that entails acting in anticipation of future demand and trends, and then capitalizing on these opportunities to gain benefit. Proactiveness is a dimension of proactiveness is an opportunity-seeking and forward-looking perspective that entails acting in anticipation of (Eggers et al., 2017). The goal of being proactive is to introduce new items before rivals do, as well as strategically eliminate activities that are in decreasing phases of the company life cycle (Bass, 2015). The way in which companies respond to market possibilities by grabbing the initiative in the marketplace is referred to as proactiveness (Reijonen et al., 2016).

The telecommunications industry in Nigeria is facing a significant challenge brought on by strong rivalry and tough competition measures taken by competing companies. This has led to the emergence of a very competitive market. Since the beginning of the process of liberalization in Nigeria's mobile telecommunications business, the market has been filled with intense competition. MTN, 9MOBILE, Globacom (GLO), and AIRTEL were engaged in an increasingly competitive pricing battle. MTN, a behemoth in the Nigerian telecom industry, ramped up its marketing efforts and provided high-quality service items in order to win over more consumers. Competing companies such as GLO and 9MOBILE responded by launching brand new items and lowering the pricing of their existing ones. More recently, the marketing war led to the customer's brand choice in Nigeria, making the country's telecom sector the most competitive in Africa and with the four Global System for Mobile Communications (GSM) companies fighting to retain and even attract more customers, thus growing their market share. This has led to the country's telecom sector being the most competitive in Africa. There are also a few additional, more modest businesses that cater to certain submarkets. The absence of a durable competitive edge or one that is difficult to imitate has turned competition in this area
into a warfare and made it difficult for businesses to successfully identify or differentiate their goods. This is an issue that affects the whole industry. The ability of a company to innovate and take initiative will create leverage for the company to obtain a competitive edge. In light of the fact that there is a gap in the existing body of research, the purpose of this study is to attempt to fill that gap by conducting an empirical investigation into the connection between an entrepreneurial orientation and the ways in which it affects the competitiveness of telecommunications companies in Rivers State, Nigeria.

Literature Review

Concept of Entrepreneurial Orientation (EO)

Especially in a highly competitive business environment, entrepreneurial orientation (EO) is a key source of intangible value for organizations to maintain their competitive advantage by highlighting the new opportunities available in the business environment (Anderson et al., 2015), exploiting them optimally and making them successful (Kellermanns & Eddleston, 2019). This is accomplished through highlighting the new opportunities available in the business environment. In addition, an entrepreneurial attitude indicates the management's orientation toward the pursuit of new vistas for the advancement of the company in an environment that is highly competitive. As a direct consequence of this, businesses that place an emphasis on entrepreneurship have a greater propensity toward achieving development via the process of exploratory strategic activities rather than exploitative ones (Wales, 2018). In the context of this investigation, entrepreneurial orientation is broken down into two subcategories: innovativeness and proactiveness (Faria et al., 2015).

In a dynamic and globalized market, innovativeness is a critical business practice that underpins a company’s ability to compete successfully (Sheu, 2017). It is regarded the most significant aspect in developing and maintaining an organization's competitiveness, as well as the factor that has the greatest influence on whether or not an organization is competitive (Ejdys, 2018). According to Kiveu et al. (2019), the definition of innovation includes the following: the introduction of a product that is new to consumers or with higher quality than existing products; the introduction of new methods of production; the opening of new markets; the use of new sources of supply and new forms of competition; and the restructuring of an industry as a result of these innovations. Innovativeness is beneficial to organizations because it enables them to launch new goods and services into the market, serves as a catalyst for the generation of new concepts, experiments, and creative processes, and provides an opportunity to expand research and development (Faria et al., 2015).

Proactivity is a component of an entrepreneurial mindset that incorporates opportunity-seeking and a forward-looking view. This approach requires acting in advance of future demand and trends, and then capitalizing on these possibilities to reap advantage (Eggers et al., 2017). The goal of being proactive is to introduce new items before rivals do, as well as strategically eliminate activities that are in decreasing phases of the company life cycle (Bass, 2015). The way in which companies respond to market possibilities by grabbing the initiative in the marketplace is referred to as proactiveness (Reijonen et al., 2016).

Concept of Competitiveness

The idea of competitiveness encompasses many different facets. It is possible to examine it on three separate levels: the nation, the industry, and the company level. The murths (1998). According to D'Cruz (1992), company level competitiveness may be described as the capability of a business to create, manufacture, or sell items that are better to those supplied by rivals,
taking into consideration both price and non-price attributes of the products. The term "competitiveness processes" refers to those processes that assist in determining the importance of core processes such as strategic management processes, human resources processes, operations management processes, and technology management processes, as well as the degree to which those core processes are currently being achieved. The management of operations and human resources are two examples of typical functional processes that may be supplemented by the competitiveness process, which can be thought of as a balancing or coordinating procedure. It makes an organization more capable of successfully competing with other organizations.

The measures of competitiveness that have been adopted for this research come from a study that was carried out by Aswini (2013). These measures, which include quality and market share, are reviewed in the following order:

Adopting quality standards in today's globalized and competitive economy is generally regarded as an essential strategy for the continued existence of organizations and the achievement of their goals, according to a number of recent studies (Abdi et al., 2018; Yunis et al., 2019). It is generally acknowledged that quality practice in today's highly globalized and competitive economy is an essential component of any organization's overall strategy for ensuring its continued existence and future prosperity (Abdi et al., 2018; Yunis et al., 2019). The use of quality as a technique to increase a customer's pleasure is common (Juran, 1979; Deming, 1982). This goal aligns with the market's perspective of what constitutes competitiveness. The ability of an organization to provide consumers with a satisfactory experience and to use quality as a springboard to enhance their goods and services (Aswini, 2013).

It is often believed that a company's market share serves as an essential indication of its competitiveness, or how well it is doing in comparison to other businesses in its industry (Farris et al., 2017). Building a company's client base requires substantial attention to market share, which in turn boosts customer happiness and assures the effective supply of services at the lowest possible relative cost (Aswini, 2013). In addition, market share enables managers to analyze not only the expansion or contraction of the overall market, but also patterns in consumers' preferences regarding the selection of rivals (Farris et al., 2017).

Theoretical Framework

The theory that will underpin this study is the Resource-Based Theory.

Resource-Based Theory

Edith Penrose (1959) developed the Resource-Based Theory (RBT), which investigates the role of resources in the development or empowerment of business hierarchies. The RBT evaluates the appropriateness of a company's assets for achieving high efficiency based on their features. The plan of criteria that must be completed to assure the company's continuing development of assets is RBT's most notable accomplishment (Kellermanns, et al., 2019). An RBT-business interface is a minimum requirement for providing a "research setting" for observational work. RBT has become the global standard for critical management assessments, and an RBT-business interface is a minimal requirement for providing a "research setting" (Peteraf, 2018; Chandler & Hanks, 2019). The resource-based view (RBV) has proved to be one of the most popular ideas in management research. RBV's basic concept is that the company's exceptional asset structure enables it to develop super hands (Lonial & Carter, 2017). Diverse company resources and capabilities may increase entrepreneurial orientation
and/or strengthen entrepreneurial orientation-results linkages; entrepreneurial orientation may generate firm resources and capabilities (Covin & Miller, 2014).

Empirical Review

Zeebaree & Siron (2017) investigated the influence of entrepreneurial orientation (EO) on competitive advantage (competitiveness) in small and medium-sized enterprises (SMEs), as modulated by finance assistance. This research included a quantitative methodology using survey tools. From a total management population of 3,526 SMEs employed by the Kurdistan Region Government (KRG) in Iraq, the desired sample size was 680. There were a total of 580 valid questionnaires. Using structural equation modeling, the connection between the variables was examined. The statistical findings demonstrate a direct, substantial, and positive association between each EOs characteristic and competitiveness; the direct impacts of innovativeness, proactiveness, and risk-taking on competitiveness were 0.23, 0.24, and 0.256, respectively. All of these impacts were statistically significant and positive, since their P values were all significant at the 0.001 level.

El-Masry et al. (2021) examine the influence of entrepreneurial orientation on competitive advantage (competitiveness) through the mediating function of sustainability. This study employs the descriptive explanatory design in order to describe the link between the paper’s variables, as well as to explain the predicted findings and justify their existence within the scope of the research. In addition, this design is used to get further information about a previous understanding of the nature of the research issue and to collect data using survey method (structured survey questionnaire) and a large number of respondents to answer the research questions under investigation. The questionnaire is intended for the first-line managers of Egyptian SME food and beverage companies. The sampling approach is a non-random handy one. The study sample consists of 401 questionnaires. Using Structural Equation Modeling (SEM) built using the Analysis of Moment Structures (AMOS) software. As the P-values are less than 0.05 (P-value = 0.000, 0.014, 0.003, and 0.000 respectively), there is a positive significant influence of risk-taking, innovativeness, competitive aggressiveness, and proactiveness on quality, with estimates equal to 0.278, 0.096, 0.120, and 0.221 respectively.

Okusanya et al. (2021) analyzed the relationship between entrepreneurial approach and market share for a sample of listed Nigerian consumer products manufacturers. The study was carried out using a survey design known as cross-sectional. The participants in the study numbered 1,551, and they came from Nigeria's twelve publicly listed consumer goods businesses. The whole enumeration method was used to take a sample from the entire population. A self-developed, structured, and validated questionnaire was used for the purpose of data collection here. The value of the Cronbach alpha might range anywhere from 0.721 to 0.892. The proportion of those that answered the survey was 90.5. During the analysis of the data, descriptive as well as inferential statistics were used (Multiple and Hierarchical regression analysis). The findings (Adjusted R2 = 0.791, F (5,441) = 339.129, p = 0.000) revealed that entrepreneurially oriented components had a significant influence on the market share of selected listed consumer goods enterprises in Nigeria. The findings of the study led the researchers to the conclusion that entrepreneurial orientation, which includes innovativeness, competitive aggressiveness, proactiveness, risk-taking, and planning flexibility, had a significant influence on the market share of selected listed consumer products businesses in Nigeria. In addition, the findings of the study showed that managers of some listed consumer goods manufacturing organizations should embrace views that are oriented toward
entrepreneurship in order to be aggressive and competitive enough to enhance the market share of quoted consumer goods companies.

**Hypotheses**

The hypotheses for this study are formulated as follows:

- **H01**: There is no significant relationship between innovativeness and quality.
- **H02**: There is no significant relationship between innovativeness and market share.
- **H03**: There is no significant relationship between proactiveness and quality.
- **H04**: There is no significant relationship between proactiveness and market share.

**Methods**

Either a cross-sectional survey, which is a version of the quasi-experimental research design, or the quasi-experimental research design itself was employed for this study. MTN, Airtel, Globacom, and 9Mobile, which are the four most important telecommunications companies in the nation, made up the population for this research. The number of managers at the telecommunication companies is as follows: 42 for MTN, 23 for 9Mobile, 36 for Airtel, and 38 for Globacom, for a grand total of 139 workers. These telecommunications companies have busy offices in the Nigerian city of Port Harcourt, which is located in Rivers State. As a result, this group forms the population that may be accessed for this investigation. The population of each of Rivers State's four different telecommunication companies is broken down into the following table for your perusal.

<table>
<thead>
<tr>
<th>S/N</th>
<th>Telecommunication Firms</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>MTN</td>
<td>42</td>
</tr>
<tr>
<td>2</td>
<td>9 Mobile</td>
<td>23</td>
</tr>
<tr>
<td>3</td>
<td>Airtel</td>
<td>36</td>
</tr>
<tr>
<td>4</td>
<td>Globacom</td>
<td>38</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>139</strong></td>
</tr>
</tbody>
</table>

Table 1. Population for the Study

When it comes to the distribution procedure of the structured questionnaire, a random sample approach is used so that each employee who is the focus of the study has an equal chance of being chosen as a respondent. One hundred and three (103) managers from a variety of organizations made up this study's sample size for the purposes of the research. The information that was gleaned from the respondents in this research came from primary sources, and was collected via the use of structured questionnaires and personal interviews. The data that were created and analyzed were the result of this investigation. Both the content and the appearance of the research instrument were evaluated to determine whether or not it was legitimate. A reliability test was conducted on the instrument using the Cronbach alpha test, and the result showed that the instrument had a reliability of 0.70.

For the purpose of conducting research on the nature of the connection that exists between the two latent variables, we made use of the Spearman's Rank Order Correlation Coefficient and the version 22.0 of the Statistical Package for the Social Sciences (SPSS). The crucial region for the decision rule is set at $p > 0.05$ for the acceptance of the null hypothesis, and $p 0.05$ for the rejection of the null hypothesis.
Results and Discussion

Hypothesis One:

H_01: There is no significant relationship between innovativeness and quality of telecommunication firms in Rivers State, Nigeria.

<table>
<thead>
<tr>
<th>Spearman’s rho</th>
<th>Innovativeness</th>
<th>Quality</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Correlation coefficient</td>
<td>1.000</td>
</tr>
<tr>
<td></td>
<td>Sig.</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>103</td>
</tr>
</tbody>
</table>

Source: Field Survey (2022)

H_01: There is no meaningful connection between inventiveness and high standards of quality. According to the findings presented in the table above, there is a robust, positive, and statistically significant relationship between innovativeness and quality (where rho = 0.820 and p = 0.001), and the study concluded that the null hypothesis should not be accepted because the p value was lower than 0.05. As a result, there is a meaningful connection between originality of thought and high standards of performance.

Hypothesis Two:

H_04: There is no meaningful connection between innovativeness and market share among telecommunications companies in the state of Rivers, Nigeria.

<table>
<thead>
<tr>
<th>Spearman’s rho</th>
<th>Innovativeness</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Correlation coefficient</td>
<td>1.000</td>
</tr>
<tr>
<td></td>
<td>Sig.</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>103</td>
</tr>
</tbody>
</table>

Source: Field Survey (2022)

H_04: There is no meaningful connection between innovativeness and market share at all. According to the findings presented in the table that can be found above, there is a robust, positive, and statistically significant relationship between innovativeness and market share (where rho = 0.745 and p = 0.000), and the study concluded that the null hypothesis should not be accepted because p 0.05. As a result, there is a substantial connection between innovativeness and market share.
Hypothesis Three:

H₀₃: There is no significant relationship between proactiveness and quality of telecommunication firms in Rivers State, Nigeria.

Table 4. Relationship between Proactiveness and Quality

<table>
<thead>
<tr>
<th>Spearman’s rho</th>
<th>Proactiveness</th>
<th>Quality</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Correlation coefficient</td>
<td>1.000</td>
</tr>
<tr>
<td></td>
<td>Sig.</td>
<td>.001</td>
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<tr>
<td></td>
<td>N</td>
<td>103</td>
</tr>
</tbody>
</table>

Source: Field Survey (2022)

H₀₃: There is no statistically significant correlation between being proactive and having high quality. The research concluded that the null hypothesis should not be accepted since there is a strong, positive, and statistically significant association between proactiveness and quality (where \( \rho = 0.775 \) and \( p = 0.001 \)), and the study rejected the null hypothesis based on the decision rule of \( p < 0.05 \). As a result, there is a meaningful connection between being proactive and providing high-quality work.

Hypothesis Four:

H₀₄: There is no significant relationship between proactiveness and market share of telecommunication firms in Rivers State, Nigeria.

Table 5. Relationship between Proactiveness and Market Share

<table>
<thead>
<tr>
<th>Spearman’s rho</th>
<th>Proactiveness</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Correlation coefficient</td>
<td>1.000</td>
</tr>
<tr>
<td></td>
<td>Sig.</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>103</td>
</tr>
</tbody>
</table>

Source: Field Survey (2022)

H₀₄: There is no statistically significant connection between being proactive and having a larger market share. The study concluded that the null hypothesis should not be accepted because there is a strong, positive, and significant relationship between proactiveness and market share (where \( \rho = 0.805 \) and \( p = 0.001 \)), and the study also concluded that the study should reject the null hypothesis based on the decision rule of \( p < 0.05 \). As a result, there is a considerable connection between being proactive and having a larger market share.

According to the findings, an entrepreneurial mindset significantly boosts one's ability to compete in the field of telecommunications. This can be seen clearly as a result of other
research that were undertaken in this area and their findings, which pointed to these facts. The results of this research are consistent with those found in studies conducted by Gautam (2019) and Ikweguru & Harcourt (2020), both of which found that innovativeness promotes competitiveness and, as a result, ought to be fostered. In addition to this, the research reaffirms the significance of proactiveness in the process of promoting competitiveness in the Nigerian telecommunications sector, which is in agreement with the results of Inegbedion's study (Afolayan & Opaley, 2019; and Ikweguru & Harcourt, 2020).

**Conclusion**

According to the findings of the research, there is a correlation between the aspects of entrepreneurial orientation studied (namely, innovativeness and proactiveness) and the measures of competitiveness (quality and market share). It has been determined that an entrepreneurial approach is related to the degree to which a telecommunications company in Rivers State, Nigeria is able to compete successfully in its industry.

The following suggestions were provided as a result. They will make a significant contribution toward enlightening important actors and players working within Nigeria's telecommunications industry as well as policymakers with their findings. In the first place, the upper management of the telecommunications companies have to devise an original plan to finance original concepts, creative endeavors, and experimental methods, to launch brand-new goods and services, and to make significant investments in research and development. Second, the management of companies that deal in telecommunications have to take the initiative in launching new goods and services whenever possible. When it comes to the current state of the telecommunications industry, they should be recognized as a reputable brand. They should also react more quickly than their rivals do to educational and research opportunities.

**References**


