

# A Conceptual Model Of Integrative Anticipation Capability As The Root Of Capabilities

I Ketut Santra, Indi Djastuti, Ahyar Yuniawan

**Abstract:** Studies concerned on the relationship of entrepreneurial orientation (EO) on the firm performance (FP) still attracted researchers. Unfortunately, previous researches findings assessed the direct relationship between EO and FP was still varied. Current article proposed a conceptual model of integrative Anticipation capability (IAC) that embrace the relationship of EO and FP. IAC definitely useful to explain how strategic orientation and resources transformed into performance. Organizational capabilities to a responsibility to embody organizational resources brought benefits and created value. Thus, this paper not only explains how IAC of organizational capabilities, but also elaborate more detail the ability of IAC to mediate the relationship EO - FP. This conceptual model offered aid to empirical analysis the relationship among EO-IAC and FP. Help in analyzing the empirical relationship EO- IAC - FP.

**Keyword:** entrepreneurial orientation, integrative anticipation capabilities, organizational learning intensity, marketing-resource flexibility and firm performance

## 1. INTRODUCTION

THIS paper aims at developing a conceptual model to fill the gap between EO, IAC and FP. Current paper is to review, identify the dimensions of IAC and explore its relationship with the entrepreneurial orientation, organizational learning, resource flexibility and firm performance. This study emphasized strongly on the capabilities and asset uniqueness derived from IAC. Having the IAC, will lead firm to the awareness of threaten changes in environmental business as well as quick respond on changes accurately? Thus, IAC is the crucial organizational capabilities which reinforced firms to aware and too anticipative quick respond accurately on various changes so that firm could avoid, negate loss and at the end led to increase firms performance. IAC as a concept proposed to fill the relationship gap between EO – FP through a robust literature reviewed. Relevant literature reviewed as the effort to explore the theoretical basis for building a new concept, IAC is obviously described in sequences. First, discuss the derivation of anticipation terminology; proceed on with the integrative terminology. As a reference started from common anticipation and integration terminology, and also found in management field. Secondly, having outlined the formation of IAC through the synthesis of anticipation and integration capabilities of firm, then elaborating the relationship among variables which underlie the proposed proposition. Thirdly, describing the conceptual model and four, the conclusion with suggestions of research implications and future research for both conceptual and empirical study

## 2 LITERATURE REVIEW:

Anticipation is not a new terminology. Anticipation is widely used in various fields (Fontela, Guzman, Perez, & Santos, 2006; R. Miller, Poli, & Pierre, 2013). However, currently there is no any research addresses on the anticipation as strategic for the firm's ability to remain existed and achieve superior performance within tough business competition. R. Miller et al.

(2013) stated that the anticipation is also assessed in biology, anthropology, but those findings, unfortunately incomparable. The Theoreticians in marketing developed market orientation supported by EO market-sensing and customer-linking (George S Day and Schoemaker, 2005). The company implemented market-sensing through scanning activity in order to obtain specific information regards on market, competitors, competition, development, tastes, technology, regulatory changes (Hough & White, 2004). Scanning is the main activity during process of formulating firm strategic. Furthermore, Hough and White (2004) described that scanning is conducted not only to the external environment, but also to the internal conditions of firms. Firms that scan the environment, for both external and internal, make them easier to set steps and pre-emptive action, preventive and anticipatory.

Conceptual though regards on anticipation activities in recognizing customers' value is crucial in marketing (Daniel J Flint, Blocker, and Boutin, 2008). Daniel J Flint et al. (2008) proposed that firm should own capabilities to recognize the needs and customer expected value. Customers will experience satisfaction and lead to loyalty once they notice their needs are Anticipation by firms. Daniel J Flint et al. (2008) proposed that customer value anticipation affects on the level of customer satisfaction and loyalty. Moreover, Blocker (2007) constructed a concept to capture customers' needs values from market orientation strategy. Responsive market orientation emerged Customer value responsive while proactive market orientation led to customer value anticipative. The ability to anticipate is highly depended on the success of scanning. The more complete and detailed scanning conducted, the more accurate of anticipation. Hough and White (2004) combined the Information Processing Perspective with Social Cognition Perspective in investigating the relationship between the frequencies of scanning activity with environmental dynamism. Each perspective argued that the relationship between the levels of scanning frequency with the dynamic environment is different. Information processing perspective highlighted that the more scanning conducted as a sign of the more dynamic of environment. Meanwhile, from the perspective of social cognition stated initial increase of scanning is aligning with the increase of environmental dynamism, and then at the certain extent, scanning will gradually decreased. Bandura (1991) stated that the activities aimed at achieving the objectives of the group through a

- *Bali State Polytechnic, Bukit Jimbaran Badung, Bali, Indonesia.*
- *Diponegoro University*

structured organization must take into account the environmental dynamics. Actions or activities that are taken in time will affect the choices and next decisions. Besides the effect of external social environment, the action is also controlled by setting goals (Lam, Kraus, and Ahearne, 2010). Thus the action or activity based on social cognitive theory. Anticipation activity obtained from the learning process, knowledge accumulation, scanning. Thus derivation of anticipation terminology rooted from social cognitive theory. Derivation of integration capabilities. The unification or combining two or more components, parts, elements or areas which is commonly known as integration. Yu (2012) defined integration as a merger of several sub-systems into one system. The perspective of Yu (2012) concerned on the origin of integration terminology began during the cold war period. Aerospace technology, in accordance with (Yu, 2012), as the example of the integration activities from perspective of engineering. The Integration from the perspective of management may refer to the idea of holistic work (Penrose, 1959) regarding the growth theory of the firm (GTF). Penrose (1959) stated that the company as a collection of productive resources. Penrose (1959) described that company resources consist of human resources (HR) and non-human. Perspective Supporters resources-based view (RBV) such as (Barney, 1991) also refers to resources on the GTF. Resource-based view / RBV was supported and critic by other authors. Those critics on RBV stated that, resources cannot be a source of competitive advantage in the absence of capability. RBV was also criticized for its focus merely on internal static resources. The critical on RBV also suggested that the capital that changed resources into valuable products and superior services for customers. Schienstock (2009) stated that the firms capability is company related to the knowledge-based view. Firms' capability is related with to knowledge (know-how) that deployed to problem solving within firms. Capability perspective based on knowledge-based view (KBV). Knowledge-based capabilities enable the company to adapt to the various problems, that lead firm to more effectively and more efficiently (TY Chen, Hung, & Theseng 2010; Schienstock 2009; Johan Wiklund & Shepherd, 2003). Perspective based on KBV ensures HR development and capabilities are becoming a dominant resource which depends on human resources. As Penrose (1959) also argued that the company is an integration of human resources and the resources of non-human. Where human resources played an important role in managing (i.e., planning, organizing, coordinating and evaluating) and orchestrate other resources. Dynamic capabilities could be well developed with the support of knowledge-based capabilities. Dynamic capability is particularly relevant in an increasingly dynamic business environment. Schienstock (2009) described that firms should develop diverse organizational capabilities in order to respond to the impact of environmental dynamism. capability development signalling, design to respond to the dynamic environment and considered as a critique on RBV static capability, such as, the emergence absorptive capacity (Cohen & Levinthal, 1990) emphasized the crucial impact ability to absorb and assimilate external knowledge sources. Aligning with this, Prahalad and Hamel (1990) focused on the core competence of the corporation. Prahalad and Hamel (1990) revealed that, the core competence of the corporation is a collection of corporate knowledge to organize and coordinate a wide range of skills and technologies of production. Prahalad

and Hamel (1990) obviously declared that forming core competence of a company is a collection of knowledge. During the 1990s, in addition to the emerge the concept of core competence, absorptive capacity, furthermore, other concept emerged such as combinative capabilities, transformative, coordinative, recon figurative and integrative. All emerged capabilities in 1990, introduced the theme of firms knowledge ability to adapt to an increasingly dynamic corporate environmental, thus, those concepts were grouped into dynamic capabilities which considered as the extension and improvement of static capability of RBV. All firms attributes such as, resources, capabilities, capacities and competencies could be traced in the source of the GTF (Penrose, 1959) assumed that firm is a collection of various productive resources. Firm is also considered as the integration of various resources for both tangible and intangible. Furthermore, firm is an integration of various capabilities (Wang and Ahmed, 2007; Yu, 2012; Ariyanti & Santra, 2018). Then, integrated capabilities were rooted from GTF. Theorists in organizational capability agreed that business environmental is more dynamic (Prahalad & Hamel, 1990; Y. Wang, Zeng, Benedetto, & Song, 2013). Then firms should respond by developing a more dynamic strategy, which aligning with the increased of dynamic business environment. According to Prahalad and Hamel (1990) revealed that in the long term, competitive advantage was derived from the firm's ability to construct core competence with low-cost and faster compared with competitors and able to anticipate products which are not Anticipation by market. In order to be going concern within tough competition, firms should develop a variety of organizational capabilities (Schienstock, 2009). Daniel J Flint et al. (2008) developed the anticipation on customer value changes to keep customer remain loyalty. While Yu (2012) constructed the idea of integrative capabilities consists of various capabilities to be survived. Catharine L Wang and Ahmed (2007) also emphasized the role of dynamic capabilities to encounter competition. By having the anticipation which derivate from customer value anticipation (Blocker, 2007; Daniel J Flint et al., 2008; Daniel J. Flint, Blocker, and Boutin, 2011) which original sources existed in social cognition theory. On the other hand, integrative capabilities constructed from firm integrative capability (Yu, 2012) in accordance with knowledge-base view and theory of the growth of firm, it can be done a synthesis into an integrative concept of anticipation capability (IAC).

### 3 ENTREPRENEURSHIP ORIENTATION AND INTEGRATION ANTICIPATION CAPABILITY:

Entrepreneurial orientation (EO) is an option of strategy which applicable by firms to achieve superior performance (D. Miller, 1983). Other strategies such as, technology orientation, customer and market (Aloulou & Fayolle, 2005; Hakala & Kohtamaki, 2011). Deshpande, Grinstein, Kim, and Ofek (2013) concluded there were similarities between market orientation and entrepreneurial orientation. Both orientations of this strategy were deployed in encountering quick business environmental. Various studies have been linked entrepreneurial orientation (EO) with a marketing orientation (MO) to achieve superior performance (Keh, Nguyen, & Ng, 2007; Nasution, Mavondo, Matanda, and Ndubisi, 2011; Rhee, Park, & Lee, 2010). Johan Wiklund and Sherperd (2005) have shown the relationship between entrepreneurial orientation (EO) and firm performance (FP) with three models (direct,

contingency and configuration). It can be concluded that Johan Wiklund and Sherperd (2005) indicated that the configuration approach between EO with FP has a stronger impact on FP. Thus a direct relationship of EO and FP provided incomplete description regarding on the achievement of the FP (Lumpkin & Dess, 1996; CL Wang, 2008; Johan Wiklund & Sherperd, 2005). Moreover, various empirical research findings revealed a direct correlation of EO and FP were insignificant (Arbaugh, Cox, & Camp, 2009; Frank, Kessler, & Fink, 2010). To mention some empirical studies which revealed the insignificant relationship between entrepreneurial orientation and firm performance such as (Arbaugh et al., 2009; Frank et al., 2010; Runyan, Droge, & Swinney, 2008; Stam & Elfring, 2008). Rauch, Wiklund, Lumpkin, and Frese (2009) and Johan Wiklund and Sherperd (2005) recommended to include mediating variable in the relationship between EO and FP. The tendency of innovative behavioural, proactive and risks taking will form the ability, skill and capacity. Ability to innovative action, proactive and take risks during searching of new opportunities and more effectively exploit the impact on performance. Eriksson, Nummela, and Saarenketo (2014) conducted a study with EO as an antecedent to organizational capabilities. Entrepreneurial orientation (EO) was proxy with innovative, proactive and take risks (Jeffrey G Covin & Slevin, 1989). Mesa and Vidal (2013) suggested that, in order to be more innovative and proactive, imagination capabilities is needed to predict future needs. Imagination entrepreneurial skills is strongly related with anticipatory action which bring benefits to discover and explore resources and future needs through scanning and exploration. creative action, innovative and proactive indicated degree of measures to which level firm Anticipation and acted based on opportunities and future needs (CL Wang, 2008). Y.-C. Chen, Li, and Evans (2012) recommended that firms adopted EO in order to explore innovative and proactive and anticipating new customers value changes as well as unexpressed values. EO stimulated the increase of proactiveness of scanning, exploration, and exploitation (Y.-C. Chen et al., 2012; Hough & White, 2004). Proactiveness is a good initiative action in finding opportunities and resources. The proactiveness seek opportunitiessuch as strategic activities by anticipating earlier future demands which is faster than competitors. Proactive behavior led firmsto develop and exploit new combinations and exploit knowledge which triggered benefits to anticipate future market (Kreiser, 2011). Proactiveness scanning of business environment for both internal (Hough & White, 2004) and external (George S. Day, 1994; Hough & White, 2004) was an anticipatory move of company to keep survival (Wang, 2008) due to Anticipation customers value (Blocker, 2007; Daniel J Flint et al., 2008; Santra, 2017) Scanning the environment (changing needs, market, technology, competition) was a strategic management studies (Hough & White, 2004; Qiu, 2008; Johan Wiklund & Shepherd, 2003), in achieving competitive advantage. George S. Day (1994) stated that scanning is to obtain information on market and competition to be able to take Anticipation action (Shane, 2000). Eriksson et al. (2014) confirmed that the dimensions of the innovative, proactive are not limited at management level but also the level of employees in order to identify new opportunities. Proactiveness in obtain information on customers needs, competition, technology, regulation led to the anticipation integrated. Firms that adopt EO conduct scanning proactively on external environment in order to

obtain information on potential changes that's disrupt business (Rhee et al., 2010). The higher the entrepreneurial orientation and more proactive scanning of the external environmentFirms with entrepreneurial orientation (EO) tend to perform scanning and monitoring the operational environment as the attempt to search for new opportunities and strengthen its competitive position (Keh et al., 2007). Through scanning and monitoring activities on operational environment, firms are expected able to fulfil their customers needs, managing risk and alert for competition. Gebauer (2011) stated that the innovative characteristics in managing business could gained competitive advantage position. Competitive advantage could be achieved through the sensing activity on new opportunities. Sensing business opportunity is covering the process of scanning and searching for the business environment. Scanning and searching business environment enable firms to anticipate market developments and customer demand. The more dynamic of business environment, the more important Anticipation action conducted on new and unexplored needs. The more proactive, innovative companies, the higher degree of environmental scanning (CL Wang, 2008). Y. Wang et al. (2013) asserted that firms should be proactive to anticipate the changes in future. Celuch, Murphy, and Callaway (2007) confirmed that the company should be proactive in anticipating future changes in the environment. proactive dimensional of entrepreneurial orientation (EO) as an action driver to anticipate for any cases, needs and changes in the future. Proactiveness is a trend to show an initiative effort, new opportunity anticipation, and anticipate on new opportunity. Eggers, Kraus, Hughes, Laraway, and Snyckerski (2013) and Lumpkin and Dess (1996) declaed that firms will create and achieved competitive advantage only if the could anticipate the changes in demands as well as future needs. To summarize, the aforementioned literatures are to propose (P1) entrepreneurial orientation (EO) has a positive effect on IAC.

#### **4 ENTREPRENEURSHIP ORIENTATION AND INTENSITY OF ORGANIZATIONAL LEARNING:**

Rhee et al. (2010) emphasized that the entrepreneurial orientation (EO) might be the crucial drivers on learning orientation in a firm. Furthermore, Rhee et al. (2010) postulated that EO could potentially as the antecedent for organizational learning. The higher EO a firm, the more intensive of learning. Tendency to independently action, innovative, proactive by considering the risk as the driver of learning activity in a more intensive organizations. Firm with higher EO will penetrate a new aggressive market with the possibility of facing a higher risk, and thus require more intensive organizational learning (Alegre & Chiva, 2009, 2013). Zhao, Li, Lee, and Chen (2011) examined the relationship between entrepreneurial orientation (EO) and organizational learning. Entrepreneurial orientation of a manager could affect strategic choices in organizational learning (Zhao et al., 2011). Furthermore, Zhao et al. (2011) distinguished organizational learning into two ; (1) experimental learning and (2) acquisitive learning. Experimental learning was related to transformation, expanding and exploitation learning existed internal's firm. While, acquisitive learning was related to new competencies and knowledge learning from the external of firm. In recognizing new opportunities, firms ought to learn to be able to search and discover, notice and gather unique value pontention new knowledge. Firms that tend to be more proactive, innovative and dare to face the risk own a culture of

sharing information and learning high thus enabling them to knowledge development and expanding faster new business opportunities than competitors. EO has a crucial role during acquisition and utilization of marketing information (Keh et al., 2007). Activities to acquire and information usage were a fundamental process in organizational learning (Zhao et al., 2011). Internal process of adapting and assimilation of collected knowledge was a process of organizational learning. EO took a part within the acquisition, adaptation and dissemination of new knowledge to generate more business opportunities (CL Wang, 2008). Furthermore, Wang CL (2008) argued that the entrepreneurial orientation created a conducive climate for organizational learning. Kreiser (2011) in his research stated that firm with higher entrepreneurial orientation will be able to expand exchange opportunities in organizational learning. Wang CL (2008) argued that organizational learning must have been well-applied in firms that implement str EO strategic in order to maximize the effect EO on firm performance (FP). Furthermore, Wang CL (2008) asserted that it was EO to have a positive influence on organizational learning, and at the end has a positive effect on firm performance. Innovative, proactive and risk taking as EO's characteristic which emphasis on hard working on searching new opportunities. New opportunities gained through sensing opportunity. Sensing opportunity according to Gebauer (2011) covered the process of scanning and searching in a business environment which based on learning process. Hakala and Kohtamaki (2011) combined and mixed impact of three orientation, such as entrepreneurial orientation strategy (EO), customer orientation (OP) and technology (OT) on firm performance through the mediation of organizational learning. Hakala and Kohtamaki (2011) concluded that the company has a better performance if the could to combine these three strategic orientations (EO, OP and OT) due to their intensity within the organizational learning. Firms that reconcile EO, OP and OT have higher intensity of learning and able to perform better if compared with firms relied only one orientation strategy. Hsieh, Nickerson, and Zenger (2007) asserted that entrepreneurs require learning process in discovering the best solution to the problems encountered. In an effort to find a new business opportunity, organizational learning should focus on acquiring, accumulating and applying new knowledge. Organizational learning had not had direct impact on firm performance. Entrepreneurial orientation could improve learning organisasional (Yajun & Jinsheng, 2009). Moreover, Organizational learning had an effect on increasing the capability and core competence. The core competencies themselves that will improve organizational performance. Nasution et al. (2011) revealed that entrepreneurial culture could improve the orientation of organizational learning. Entrepreneurial characteristics such as autonomy, proactive and risk taking have a strong relationship knowledge achievement and development of new behavioural to support learning. Furthermore Nasution et al. (2011) also emphasized that the organizational learning directed organization's members to adopt the entrepreneurship characteristics at the individual level. The prevalence of entrepreneurial characteristics at the level of the individual has an effect to improve the entrepreneurial culture in an organization (Nasution et al., 2011). The ability to discover new opportunities of entrepreneurship is vital for the survival of the company (Tang & Liou, 2010). The ability to recognize business opportunities was conducted to support proactive

scanning which was derived from learning, trials on new things and shared knowledge. Unger and Homburg (2006) argued that knowledge gained from organizational learning triggering benefits to detect new opportunities. This findings was corroborated by (Rhee et al., 2010) stated that firms which oriented on entrepreneurship conduct able to scan eksternal. Organizational learning on environmental played crucial role in encountering the rapidly changing. Thus, the entrepreneurial orientation (EO) has an impact on the improvement intensity organizational learning, then current research proposed (P2) entrepreneurial orientation has a positive effect on the intensity of the organizational learning.

## 5 ENTREPRENEURSHIP ORIENTATION AND FIRM PERFORMANCE:

Entrepreneurial orientation (EO) dragged the attention of many researchers (Eggers et al., 2013). EO was originally conceived as a form of various strategies selection that determine a firm's entrepreneurial (D. Miller, 1983). D. Miller (2011) again reaffirmed that the goal of research in (D. Miller, 1983) was to notice determinant factors at level of entrepreneurship in a firm D. Miller (2011) also stated that EO was not his concept. Terminology such as innovative, proactive and risk-taking and eight subsequent terminologies, as a mode of strategic making to estimate entrepreneurial strategy of firms. As additional, the role of entrepreneurs and environmental factors (D. Miller, 1983) investigated 11-strategic making. The aim of research in (Miller, 1983) was to propose configuration approach to notice determinant factor at the level of level of entrepreneurship. Although there were deviations from work of Miller (1983) and has been self declared by Miller (2011), yet, dimensions of the innovative, proactive and risk-taking, had become a dimension of a strategy called entrepreneurial orientation. The construct of EO, originally was not inspired by Miller (1983), the it had developed and attracted authors attention. EO it self consisted of three elements, such as (1) risktaking / RT, (2) innovativeness / I and (3) pro-activeness / P from 11 modes strategies. Lumpkin and Dess (1996) proposed autonomy (A) and aggressive competitiveness (AC). The nest research on entrepreneurial and EO, both conceptual and empirical were initially based EO dimensions (RT, I and P) or, the autonomy and aggressive to competitiveness which has been developed by (Lumpkin & Dess, 1996). Jeffrey G Covin and Lumpkin (2011) declared that the focus of current research on EO is seemingly concerned on; (1) The debating on whether this construct is categorized as uni-dimensional or multi-dimensional, and (2) whether the EO construct could also be applied besides United States and Europe. The debates concerned on construct dimensions is continuously, but many authors contended EO is considered as uni-dimensional construct. While several other researchers argued that the entrepreneurial orientation (EO) is a multi-dimensional construct. Johan Wiklund (1999) and (Brown, Davidsson, & Wiklund, 2001) proved that EO was as uni-dimensional construct on a firm in Sweden as the object of research. Johan Wiklund (1999), found in research implications suggested that EO was a construct that could be generalized outside of the USA and was a uni-dimensional variable. This led to the understanding that EO was a uni-dimensional construct and could be applied in firms besides USA (Arbaugh et al., 2009). Research on entrepreneurial orientation (EO) has been long investigated the direct relationship between EO and FP (Johan Wiklund, 1999). However, Johan Wiklund and Shepherd

(2003) proposed that this relationship may be moderated by the nature of the environment and organizational factors (Lumpkin & Dess, 1996). Instead of researchers used sample outside USA and Europe firms, the findings supported direct relationship of EO on FP (Arbaugh et al., 2009; Johan Wiklund, 1999). Yet, research on the direct effect of EO on FP creation is not consistent. Aloulou and Fayolle (2005) noted that EO was crucial for firm to take advantages from opportunities offered benefits. Aloulou and Fayolle (2005) stated clearly that, in discussing the entrepreneurship and EO, it was crucial to relate natures of environment, firms and leadership/owner strategy. Nature of the firm's strategy could be manipulated within firm control. In an attempts to increase the level or quality of the entrepreneurial factor of firms strategy could be deployed. Several studies based on the strategic literatures have identified determinant factors which related with entrepreneurship (D. Miller, 1983), innovative behaviour, proactive and risk-taking. Entrepreneurial orientation (EO) was become a well-accepted concept in entrepreneurship, management and strategic management. EO construct is known as the firms nature (Jeffrey G Covin & Lumpkin, 2011) that involved in the activity of innovativeness (I), pro-activeness (P) and risk-taking (RT) (D. Miller, 1983) as well as autonomy (A) and competitive aggressiveness (CA) by (Lumpkin & Dess, 1996). EO was being a predictor of high performance predictor on small business. Though, some findings of empirical research are still remained inconsistent (Awang, Asghar, & Subari, 2010; Frank et al., 2010; Moreno and Casillas, 2008; Su, Xie, & Li, 2011; Johan Wiklund & Shepherd, 2005). Johan Wiklund (1999) investigated the relationship of EO and firm performance (FP) with small business data usage. Study conducted by (Johan Wiklund, 1999) indicated that there was a positive relationship between EO and FP. The EO relationship with FP was found to be long term relationship. Results of the study conducted by (Johan Wiklund, 1999) showed that investment in EO could trigger benefits to rapture small business performance. Su et al. (2011) also reported the direct positive relationship between EO and FP. Johan Wiklund and Shepherd (2005) documented the direct relationship between EO with FP. But EO interaction with environmental dynamism and access to capital sources of capital had a stronger effect on FP. The statistical findings demonstrated that there was a positive relationship between EO on FP (Johan Wiklund & Shepherd, 2005). Yang (2008) studied the leadership style of managers in managing EO. Yang (2008) reinforced that this transformational leadership with higher EO could contribute to the achievement of higher business performance. Likewise, Awang et al. (2010) with the object of industrial agribusiness as research object in Malaysia, it found that the EO was reported to have a positive effect on FP. Johan Wiklund and Shepherd (2003) in their research, the knowledge-based resource perspective and entrepreneurial orientation were combined to investigate the relationship of finding application and exploitation of opportunities on firm performance. Johan Wiklund and Shepherd (2003) concluded that EO could improve finding relationship and new opportunities application with firm performance. Eggers et al. (2013) investigated the relationship between customer orientation and EO with firm growth, it summarized that customer orientation had a negative correlation, whereas EO had a positive relation on firms growth. EO positive relationships and firm performance could be seen in Grande, Madsen, and Borch, (2011). To sum up the

forementioned finding, current study proposed entrepreneurial orientation (EO) had a positive effect on firm performance (FP).

## 6 FLEXIBILITY OF MARKETING RESOURCE AND FIRM PERFORMANCE:

Flexibility is becoming a concept which is mostly associated with strategy option implemented in encountering continuously changes in business environmental. According to Bhattacharya, Gibson, and Doty (2005), the concept of flexibility is linked to production management, human resources and strategic. Terminology of flexibility in strategic management literature by Hua and Kang-kang (2009), flexibility was classified based on to the following hierarchy; (1) Strategic Flexibility; (2) Functional Flexibility and (3) Flexibility of resources. Hua and Kang-kang (2009) and Günsel, Açıkgöz, Tükel, and Öğüt (2012) argued that flexibility of resources had an impact to improve performance. Sanchez (1995) stated that flexibility of marketing resource was started from firm's ability on segmenting market, then identifying customers group with unique products preferences. Flexibility of marketing resources is strongly depend on firms ability to recognize the changes in customer preferences. Sanchez (1995) highlighted the flexibility was originally widely used among strategic management researchers to demonstrate firms ability to response diverse demands of a dynamic competitive environment. Some limitations of flexibility in both the strategy level, functional and resources are not much different from the notion of flexibility (Sanchez, 1995). Verdu-Jover, Llorens-Montes, and Garcia-Morales (2004) and Bhattacharya et al. (2005) demonstrated that, the flexibility as the firms ability in responding the diverse demands of the competitive environment. While Fernández-Pérez, Verdú-Jover, and Benitez-Amado (2013) defined flexibility as the firm's ability to respond to continuously changes which is not Anticipation and adjust unintended consequences of the unpredictable changes. Flexibility could also be interpreted as the firm's ability to reallocate resources quickly and refined in response to changes (Eriksson et al., 2014). Ferdinand and Batu (2013) revealed that in winning the competition firms must be able to respond to various demands of a dynamic competitive environment, in a flexible way to allocate and adopt marketing resources such as marketing funds, allocation of costs and promotion coverage, labor and supervisors seller. Noting the aforementioned definition, the flexibility of marketing resources can be defined as the firms ability to utilize, allocate and reallocate of marketing resources quickly in response to changes in demand in a dynamic environment. Economics inherited one world-wide accepted assumptions and strongly relevant at present, scarce of resources for both quantity and quality. The basic assumption scarce of resources became the foundation of competitive advantage theory developed in resource-based view (RBV). Barney (1991) detailed the four conditions should be met in order resources be a source of competitive advantage. One of four of these conditions is rare. Manager of the firms during operational should work-out to manage resources and achieve maximum results. Firms with limited resources, in order to survive should adapt with environment. The business environment is developing over time due to market changes, technology, competition and regulation (Arafa & ElMaraghy, 2012). firms adapted through a new routine creativity, reconfigure existed resources to support the increase of capability. Resource that could develop unique

capabilities such as flexible resources (Arafa & ElMaraghy, 2012; Sapienza, Autio, George, & Zahra, 2006). Sapienza et al. (2006) proposed a concept called resources fungibility that describe; (1) adaptability, such as shifting resources usage in to others usage, and (2) flexibility, the ability to be create existed resources. Sapienza et al. (2006) proposed that the adaptability and flexibility of resources could increase the viability and firms growth. Catharine L Wang and Ahmed (2007) placed resources as the base of capability hierarchy and organizational capability namely zero-order. The capability occupied the first order. Before capability existed core capability as second order and third order found dynamic capability. While, other researchers placed dynamic capability at the second order and core capabilities in third order (Smith & Prieto, 2008; Zubac, Hubbard, & Johnson, 2010). Thus, resources required capability to reach competitive advantage. Penrose (1959) asserted that resources could not considered as an input in processing, but its capability contributed value during product processing. Resources required a transformation process in order to become valuable goods and services offered to customers. Managing resources also required exploitative and explorative capabilities (March, 1991); The transformative capabilities are needed in order to be valuable products and services resources. Resources transformation process into valuable products will effectively if the usage of resources is more flexible. The more resources alternative usage, the more flexibly. Vairaktarakis (2003) stated that a condition of one resource used in multi purposes where the time spent to limited processing, the succeed goal will be determined through the resources flexibility. Ketkar and Sett (2010) stated that authors in the field of strategic management of human resources (HR) stated that the flexibility of resources is crucial in achieving the firm's performance, moreover, within dynamic environment. Empirical research of relationship resources flexibility on FP is still considered a relatively rare (Ketkar & Sett, 2010). By the scarcity of empirical research on the relationship resources flexibility to motivate (Guo and Cao, 2014; Ketkar & Sett, 2010) to examine the empirical relationship of FP on resources flexibility and the finding revealed that resources flexibility mediated environmental dynamism and FP. Daniels, Mazzola, and Shi (2004) confirmed the constraints of resources flexibility, as a dynamic capability to reallocate the usage of resources from one stage of the production process to other stages of the production process in order to improve the efficiency of resources flexibility was beneficial to negotiate the problem of scarcity (Vairaktarakis, 2003), as well as other constraints and obstacles in the process of value creation. Combs, Ketchen Jr., Ireland, and Webb (2011) added by classifying and differentiate flexible resources with rigid. Further, Combs et al. (2011) stated that a flexible resources could be expanded to fill new market opportunities. Furthermore, the flexibility is strongly determine the strategic flexibility (Combe, Rudd, Leeflang, and Greenly, 2012; Combs et al., 2011). strategic flexibility included both internal and external conditions (Cingöz & Akdogan, 2013). Rapid response on technology changes and market opportunities by producing more new products, offer more product types. Resources flexibility as the antecedents of strategic flexibility to reach firms performance as its consequences. Coordination flexibility is included in resources flexibility. Chang, Lin, Chang, and Chen (2007) suggested the practical implications his finding that flexibility in production is not as simple as expected. Flexibility never been

achieved merely relied on computerized system, but must be planned, managed and integrated with entrepreneurial activities. Chang et al. (2007) examined the relationship of entrepreneurial orientation and flexibility of manufacturing production process. Production flexibility of new products proxied for flexibility, versatility and flexibility in product mix and volume flexibility. Flexibility in production originated from the flexibility of resources and lead to improved performance. Firms with flexible operational capabilities due to the support of resources flexibility could optimize resources utilization and in turn will improve performance (Chod, Rudi, and Mieghem, 2006; Gindy & Saad, 1998). Celuch et al. (2007) added that flexibility could be divided into proactive and reactive. Innovative tendency, proactive in anticipating resources management made resources can be deployed in variety of alternatives. Alternative resources usage showed resources flexibility (Grande et al., 2011). resources flexibility could improve firms performance. The ability of resources to accommodate the dramatic changes of the business environment (crisis) determined the ability of firm to encounter crisis. The ability resources to accommodate business environmental changes from a qualitative study (Makkonen, Pohjola, Olkkonen, & Koponen, 2014) showed a positive correlation with firm performance. Zubac et al. (2010) argued that firms performance affected by managers decision to allocate resource. While Smith and Prieto (2008) stated that the dynamic capability was unable to explain how to achieve performance. Firms performance was achieved through a new resources and capabilities reconfiguration. Resources could be easily reconfigured if resource had a high flexibility. firms that are willing to invest in a flexible resources will gain benefit from the funds, besides the ease of loan requirements also monitoring mechanism to effect performance (Chod & Zhou, 2014) Ferdinand and Batu (2013) concluded that the flexibility of marketing resource owned by firms affected on new firm marketing product performance. Furthermore Ferdinand and Batu (2013) revealed the flexibility made firm marketing resource have capability to meet market demand with specific products that suit to the market. Thus the flexibility of marketing resources have the potential to contribute to improve firm performance. The resources flexibility could be flexible in volume, variations of the model, the number of types of new product launches (Esturillo & Esturillo, 2010). Flexibility marketing resources as well as the flexibility of the sales person (marketing human resources) such as sales people (Ferdinand & Batu, 2013). Flexibility of human resources marketing (flexible skill) sales people contributed to the improved firm performance (Bhattacharya et al., 2005; Tracey, 2012). Thus, it became a logical proposition to propose, (P4) Flexibility of marketing resources has a positive effect on firm performance.

## **7 FLEXIBILITY OF MARKETING RESOURCE AND INTEGRATION ANTICIPATION CAPABILITIES.**

Opportunities and threats are like two sides of coin, which located at external companies. The threat became huge danger for firm if threats unrecognized (George S Day and Schoemaker, 2005). George S Day and Schoemaker (2005) asserted that, enabling firms to recognized these threats by anticipating business opportunities. firms needs to develop capabilities of scanning, forecasting to treat the threat as business opportunity. Hough and White (2004) declared that firms' capability of scanning could adopt and anticipate. Qiu (2008) proactively in environmental

scanning to offer aids to manage flexible capabilities and resources. Flexibility related with resources based on Kramarz and Kramarz (2014) is recognized by (1) rapid reactions to sudden changes in demand and supply. (2) adjusting to changes in the market by developing the structure and adaptive marketing strategies. Scanning activity related with formulation and best strategy choice, because scanning gathered alternative information. Actions / activities were undertaken by organization as the output of gathering and interpretation of information. Hough and White (2004), said that based on generally accepted views, organization has the limited capacity in scanning and resources, the scanning activity carried out to selectively crucial issue, such as ; (consumers, competitors, technology, regulatory, social and cultural). These issue related to the flexibility and versatility of resources strategy. scanning activities is dimension of Anticipation capability. Thus the Anticipation capability and flexibility associated with fleksibility of resources strategy. Daniel J Flint et al. (2008) stated that the ability of firms to anticipate customer value as success output of environmental scanning. Anticipation of customer value made business value creation easier to meet customers needs. Anticipation customer value creation made effectively use of resources. Anticipation resource management related with flexibility resources (Karia, Wong, & Asaari, 2012). The concept of market sensing capability emphasized on the manager's ability to anticipate market developments and competitors actions (Lim, 2013). Firm's ability to scan and to forecast the environment to anticipate customers value (George S Day and Schoemaker, 2005; Daniel J Flint et al., 2008) contributed to increase the ability to explore and exploit resources better, utilizing resources to more flexible (Cohen & Levinthal, 1990). The usage of firms' resources become more effective because one resource could be used to produce different output. Gindy and Saad (1998) stated the flexibility of resources related to planning and forecasting activities of resources. Optimal resources planning of scanning and forecasting activities provide wide scope resources flexibility and lead to effective scanning. Small-scale enterprises have a limited to support resource ownership (SD). Celuch et al. (2007) recommended small and medium enterprises / SME regulated the usage of information technology in order to develop the ability to use flexible strategies. Flexible strategy, could proactively anticipate and react with the customers needs changing. Furthermore, Celuch et al. (2007) distinguished flexibility between proactive and reactive strategies. Flexibility of proactive strategy could increase the capability to anticipate changes, as well as the ability to manage more flexible resources. While the flexibility of a reactive strategy showed the ability to respond quickly changes. SMEs have a greater possibility to achieve flexible strategies as a result of anticipation, alertness and react quickly. Flexibility of resource is the key driver of SMEs growth for. Flexibility of strategies applied by SMEs was useful to meet customer needs, through the introduction of the increase of customer value and try to fulfill these values. Rodriguez, Escoto, Bru, and Bas (2008), argued that scanning, forecasting an effort to obtain new resources. Anticipation cction through proactive scanning and forecasting contributed to enhance the reliability and flexibility of resources. Flexibility of resources usage is becoming competitive advantage through the low inventory and safety stock. Besides, affected by the sum of optimal resources, flexibility of resources was also determined by allocation

system. According to Killen and Hunt (2009) resources allocation process determined the flexibility of resources. Resources allocation had become part of the dynamic capabilities (Eisenhardt & Martin, 2000). Makkonen et al. (2014) examined the firm's ability to adjust resources and capabilities to encounter economic crisis. An active firm scanning (active monitoring) business environment more survive in encountering crisis (Makkonen et al., 2014). Firms that carried out the anticipation is able to perform forecasting and planning. Firms carried out forecasting to anticipate. According to Nakano (2009), that forecasting carried out by firms could assist in managing resource. Planning and forecasting made logistics resources management more flexible. The benefits gained from resources flexibility in accordance with (Nakano, 2009) at the beginning achieved operational performance and production. A decline in cost production and inventory, inventory into optimal level. The achievement of efficiency in the production and operation will eventually be reflected in the overall of firm performance. Thomas, Clark, and Giola (1993) stated that firms activity of sense-making included scanning, interpretation and respond affect the resource flexibility of firm. Dimention of resources flexibility (Esturilho & Estorilio, 2010) suggested that mix-lexibility, volume-flexibility, delivery-flexibility, and new product-flexibility. Aligning with this, Ferdinand and Batu (2013) stated that the flexibility of marketing resources as well as the flexibility of the sales person (marketing human resources) as sales people. Marketing resource have been known as determinant factors. Marketing resources included brand, salesforce, the relationships in the distribution channel, dealer and distributor loyalty, customer trust (Asikhia, 2006). Flexibility in the capabilities of the human resources showed the level of skill and motivation of the human resources that are useful in meeting marketing, surpassed even to anticipate of changes in customer demand or market needs (Tracey, 2012). Empirical research conducted by Santos-Vijande, López-Sánchez, and Trespalacios (2012) concluded that the company had the flexibility (resources and strategy) could anticipate changes in the future. Changes which needed to be Anticipation is regarding on preferences customer, behavior of competitors, technological developments, economic trends. Thus, having the flexibility of marketing resource, firms could further enhance their ability to adjust production capacity and new product offerings. According Chod et al. (2006) firms ability to adjust production capacity and new product offerings certainly was related to the firm's ability to perform forecasting changes in demand in the future. Thus, this to propose (P5) that the flexibility of marketing resources has positive impact on integration Anticipation capability (IAC).

## 8 ORGANIZATIONAL LEARNING INTENSITY AND INTEGRATION ANTICIPATION CAPABILITY

Organizational learning was started by learning orientation. OL is becoming a base to develop organizational capability in order to complete the process of organizational capability in value creation (CL Wang, 2008). Organizational capability will be developing if the intensity of the organizational capabilities is adequated (Prieto and Revilla, 2006). OL intensity determined the organization'sto createpotential value for stakeholders better and faster. According to Mesa and Vidal (2013) LO is characteristic of an organization to facilitate the learning process. The process of obtaining information, understanding, knowledge and best practices in improving the

performance also called learning (Zhao et al., 2011). Organizational learning is a dynamic process in creating, acquiring and integrating knowledge aimed at developing resources and capabilities (Lopez, Peon, & Ordas, 2005). Entrepreneur or manager could determine which knowledge played a role in satisfying the expectations of consumers, employees and other community members. C.-H. Lin, Peng, and Kao (2008) integrated market orientation and organizational learning in explaining the development of innovation capabilities. C.-H. Lin et al. (2008) concluded that the LO affected innovation capabilities. S. Lin and Piercy (2013) stated that knowledge on resources obtained from the LO contributed in constructing capability. LO enhanced the dynamic capability and key capabilities (CL Wang, 2008). Zhao et al. (2011) suggested that learning organization LO can enhance the organization's ability to manage uncertainty, increasing discovery of new opportunities. Firm could increase its value through the continuously intensive learning. The ability to explore, identify, exploit, recognize, take opportunities, anticipate changes are definitely depend on learning intensity. The quantity and quality of information, knowledge and methods / practices that could be obtained and used as a proxy for learning intensity. Through tacit and explicit knowledge (Nonaka & Krogh, 2009), allowed the firms to develop new combinations and exploit knowledge for the sake of the changes in future market preferences (Kreiser, 2011). Mesa and Vidal (2013) concluded that there are five (5) dimensions of learning, they are; (1) experimentation, the trial on ideas or new ideas; (2) risk-taking, tolerance on ambiguity, uncertainty and error rates; (3) interaction, the coverage of relationship with the external environment; (4) dialogue as a joint search process which connects individual and organizational learning; (5) participate in the decision. According to Lim (2013) the ability to predict and anticipate market developments and competitor were constructed from a series of internal routines to integrate learning and organizational resources. Aligning with this, Gray and Gray (2012) underscored that firm's unique capabilities derived from the learning process within the company. Rhee et al. (2010) stated that with the development an organizational, as a consequences learning intensity should also increase, so that resource and capabilities which related with key activities would not be obsolete. Firm which not increase the learning intensity will experience difficulty to renewing primary and key capabilities (CL Wang, 2008). Firms gathered relevant information regarding opportunities and new resources as part of learning. Furthermore Rhee et al. (2010) stated that learning is indispensable to sustained continuously competitive advantage of firm which implemented entrepreneurial orientation (EO). In a dynamic environment of organizational learning, resource is the most principal factor to achieve competitive advantage. The capacity to learn faster than competitors merely was the single factor sustainable competitive advantage (Lopez et al., 2005). Unger and Homburg (2006) stated that knowledge as a result of organizational learning offer the assistance for entrepreneurs to detect new opportunities. Knowledge and learning were becoming the determinant factors due to the a rapidly environmental change. To be able to quickly explore and scan the business environment, firms must have adequate learning intensity (Rhee et al., 2010). Knowledge accumulation from learning process became a useful portfolio of knowledge to scan business environment. With sufficient learning intensity

would construct firm's ability to absorb external knowledge Cohen and Levinthal (1990) stated that, firms could not simply lean on the internal knowledge creation. during competition which depended on seed of information, the ability to absorb external knowledge (absorptive) are very helpful to develop further capabilities (Cohen & Levinthal, 1990; Schienstock, 2009). Adaptability and anticipation obtained from the learning process (A Daniel Levinthal, 1991). Jantunen (2005) expressed that the ability to anticipate changes in the environment as the accumulation of learning process. Meanwhile Santos-Vijande et al. (2012) argued organizational learning could capture more relevant information related to current market trends and future, thus, organizational learning could assist firms during anticipation and adaptation. In accordance with the aforementioned finding, this is to propose (P6): intensity of organizational learning has a positive effect on integration Anticipation capability (IAC).

## 9 CONCLUDING REMARKS: INTEGRATIVE ANTICIPATION CAPABILITIES AND FIRM PERFORMANCE

The firm will disappear in competition for not achieving adequate performance (marketing, finance, sales growth, employee). This bad condition will come to a reality if firms are not aware of threat (George S Day and Schoemaker, 2005). George S Day and Schoemaker (2005) stated that in order to understand, firm and anticipate business opportunities, firms should develop the capacity of scanning and forecasting. In the literature of strategy, various strategic orientation were found. There are three (3) emerged school of thought: market-oriented strategy, technologies and stakeholders. It's important to link the three orientation with entrepreneurial orientation (EO). According Aloulue and Fayolle (2005) in the framework of EO application in the SMEs, is very useful to combine all these three strategies. Market orientation, market orientation strategy, based on customer preferences. Developing new products through market observation and consumer preferences. By having the ability to scanning, forecasting and framing makes, they will lead firm to be effective in achieving firm performance. Scanning activities to obtain information regard on foreign markets, the exporters have an influence on export performance as summarized in (Julien & Ramangalahy, 2003). Empirical studies found that market orientation is positively related to EO (Nasution et al., 2011). The strategy orientation that focused on consumer business-based. firms strives to observe (scanning), follow and satisfy the consumers' preferences. Technology orientation could find appropriate technology in the development and manufacture products with better quality and lower prices. Technology orientation is closed with market orientation. Stakeholder orientation on the basis of the partnership, such as employees, suppliers, in order to implement success entrepreneurship, SMEs need to maintain proximity to all stakeholder. EO is a part of strategic orientation concept (D. Miller, 1983; Nasution et al., 2011). Firms strategic orientation should be able to explain sustainable competitive advantage (SCA) and improve financial performance (Aloulou & Fayolle, 2005; Rauch et al., 2009). Furthermore, Rauch et al. (2009) in connection with the entrepreneurial orientation of firm's performance, maximum effort is necessary to anticipate demand and the new position of new product offered in order to achieve the firm's performance. Developing unique capabilities of EO enhance the firms uniqueness (Awang et al., 2010) and improve firms performance. Lim (2013) argued

that the ability to predict the competition would improve firms performance with Anticipation precaution against competition. Anticipation capability originally derived from proactive scanning, forecasting, and pre-emptive led firm to quick respond and earlier action over its competitors in order to survive during competition. Anticipation capability and EO are interconnected, where firms with high EO have diverse unique capability and is predicted to have a better performance. Integrative Anticipation capabilities is potentially to procure resources to support the efforts in achieving advantages in order to enhance firms performance. Resources (SD) which meet the criteria valuable, rare, difficult to imitate and irreplaceable (Barney, 1991). Firms with the ability and anticipate the changing in customers needs (market) has a superior performance (Daniel J Flint et al., 2008). Again, firms that proactively scan and forecast could anticipate customers needs with better results (Blocker, 2007), also showing better firm performance. Hough and White (2004) stated that there was a positive relationship between scanning frequency with firm performance, thus, firms are advised to allocate adequate resources for scanning activity. Subsequently (Hough & White, 2004) stated that the scanning was not only to monitor external environmental conditions, but also the evaluation of the internal environment. S. Lin and Piercy (2013) stated that price strategy and sales forecasting are the best strategy of achieving performance. Many decisions must be made in advance before a product is launched. Fairouz, Hirobumi, and Tanaka (2010) proactively scanning the environment has positive effect on business performance. Anticipation found new opportunities to affect entrepreneurial performance (Y.-L. Wang, Ellinger, & Wu, 2013). Firms conducted anticipation and adaptation in order to perform and keep survival. Makkonen et al. (2014) concluded that firms that actively monitor the business environment will be able to deal with the financial crisis and able to achieve better performance. Anticipation and adaptation process began by scanning, interpretation and response (Thomas et al., 1993). The process of scanning, interpretation and response are the three elements of sense-making conducted by manager. Thomas et al. (1993) furthermore, stated that the three of these elements could contribute to the achievement of firms performance. Johannesson and Palona (2010) revealed that scanning activity decisive in the formulation of strategies that affect to increase performance. (P7) integrative Anticipation capabilities (IAC) has positive effect on firm performance (FP). 1.1 The following table summarizes the proposed proposition.

**TABLE 1**  
**THE SUMMARY OF PROPOSITIONS**

No.	Research Hypotheses
1.	Entrepreneurship Orientation (EO) has a positive impact on Integrative Anticipation Capabilities (IAC).
2.	Entrepreneurship Orientation (EO) has a positive impact on Organizational learning Intensity (OLI).
3.	Entrepreneurship Orientation (EO) has a positive impact on Firm Performance (FP).
4.	Marketing Resources Flexibility (MRF) has a positive impact on Integrative Anticipation Capabilities (IAC).
5.	Marketing Resources Flexibility (MRF) has a positive impact on Firm Performance (FP).
6.	Organizational learning Intensity (OLI) has a positive impact on Integrative Anticipation Capabilities (IAC)
7.	Integrative Anticipation Capabilities (IAC) has a positive impact on Firm Performance (FP).

1. Entrepreneurship Orientation (EO) has a positive

- impact on Integrative Anticipation Capabilities (IAC).
- Entrepreneurship Orientation (EO) has a positive impact on Organizational learning Intensity (OLI).
- Entrepreneurship Orientation (EO) has a positive impact on Firm Performance (FP).
- Marketing Resources Flexibility (MRF) has a positive impact on Integrative Anticipation Capabilities (IAC).
- Marketing Resources Flexibility (MRF) has a positive impact on Firm Performance (FP).
- Organizational learning Intensity (OLI) has a positive impact on Integrative Anticipation Capabilities (IAC)
- Integrative Anticipation Capabilities (IAC) has a positive impact on Firm Performance (FP).

## REFERENCES

- [1] Alegre, J., & Chiva, R. (2009). Entrepreneurial Orientation, Organizational Learning Capability and Performance in The Ceramics Tyles Industry.
- [2] Alegre, J., & Chiva, R. (2013). Linking Entrepreneurial Orientation and Firm Performance: The Role of Organizational Learning Capability and Innovation Performance. *Journal of Small Business Management*, 51(4), 491-507. doi: 10.1111/jsbm.12005
- [3] Aloulou, W., & Fayolle, A. (2005). A Conceptual Approach of Entrepreneurial Orientation within Small Business Context. *Journal of Entrepreneurship Culture*, 13(1 Maret), 21-45.
- [4] Arafa, A., & ElMaraghy, W. H. (2012). Enterprise Strategic Flexibility. *Procedia CIRP*, 3, 537-542. doi: 10.1016/j.procir.2012.07.092
- [5] Arbaugh, J. B., Cox, L. W., & Camp, S. M. (2009). Is Entrepreneurial Orientation a Global Construct? A Multi-Country study of Entrepreneurial Orientation, Growth Strategy, and Performance. *The Journal of Business Enquiry*, 8(1), 12-25.
- [6] Ariyanti, N. K. I., Santra, I. K., & Lasmini, N. K. (2018). Leadership and Organizational Culture Analysis on Organizational Citizenship Behavior (OCB) at PT. Hatten Bali. *Jurnal Riset Bisnis dan Investasi*, 3(3), 33-44.
- [7] Asikhia, O. U. (2006). Market Focus Strategic Flexibility and Sales Growth: Empirical Evidence From Nigeria. (Doctoral), University of South Africa.
- [8] Awang, A., Asghar, A. R. S., & Subari, K. A. (2010). Study of Distinctive Capabilities and Entrepreneurial Orientation on Return on Sales among SMEs in Malaysia. *International Business Research*, 3(2), 34-48.
- [9] Bandura, A. (1991). Social Cognitive Theory of Self Regulation. *Organizational Behavior and Human Decision Processes*, 50, 248-287.
- [10] Barney, J. (1991). Firm Resources and Sustained Competitive Advantage. *Journal of Management*, 17(1), 99 -120.
- [11] Bhattacharya, M., Gibson, D. E., & Doty, D. H. (2005). The Effects of Flexibility in Employee Skills, Employee Behaviors, and Human Resource Practices on Firm Performance. *Journal of Management*, 31(4 August), 1-19. doi: 10.1177/0149206304272347
- [12] Blocker, C. P. (2007). Exploring The Role of Customer Value Change and Relationship Adaptation in Global Business Services. (3298781 Ph.D.), The University of Tennessee, Ann Arbor. Retrieved from <http://search.proquest.com/docview/304810808?accountid=25704> ABI/INFORM Global database.
- [13] Brown, T. E., Davidsson, P., & Wiklund, J. (2001). An Operationalization of Stevenson's Conceptualization of Entrepreneurship Opportunity-Based Firm Behavior. *Strategic*

- management Journal, 22(953-968), 953.
- [14] Celuch, K., Murphy, G. B., & Callaway, S. K. (2007). More bang for your buck: Small firms and the importance of aligned information technology capabilities and strategic flexibility. *The Journal of High Technology Management Research*, 17(2), 187-197. doi: 10.1016/j.hitech.2006.11.006
- [15] Chang, S.-C., Lin, R.-J., Chang, F.-J., & Chen, R.-H. (2007). Achieving manufacturing flexibility through entrepreneurial orientation. *Industrial Management & Data Systems*, 107(7), 997-1017. doi: 10.1108/02635570710816711
- [16] Chen, T. Y., Hung, K. P., & Theseng, C. (2010). The Effects of Learning Capacity, Transparency and Relationship Quality on Inter-Organizational Learning. *International Journal of Management*, 27 (3), 405-419.
- [17] Chen, Y.-C., Li, P.-C., & Evans, K. R. (2012). Effects of interaction and entrepreneurial orientation on organizational performance: Insights into market driven and market driving. *Industrial Marketing Management*, 41(6), 1019-1034. doi: 10.1016/j.indmarman.2012.01.017
- [18] Chod, J., Rudi, N., & Mieghem, J. A. V. (2006). Mix, Time, and Volume Flexibility: Valuation and Corporate Diversification. Paper presented at the Working Paper Series Center for Operations and Supply Chain Management, Northwestern University.
- [19] Chod, J., & Zhou, J. (2014). Resource Flexibility and Capital Structure. *Management Science*, 60(3 March), 708–729. doi: 10.1287/mnsc.2013.1777
- [20] Cingöz, A., & Akdoğan, A. A. (2013). Strategic Flexibility, Environmental Dynamism, and Innovation Performance: An Empirical Study. *Procedia - Social and Behavioral Sciences*, 99, 582-589. doi: 10.1016/j.sbspro.2013.10.528
- [21] Cohen, W. M., & Levinthal, D. A. (1990). Absorptive Capacity: A New Perspective on Learning and Innovation. *Administrative Science Quarterly*, 35(1), 128-152.
- [22] Combe, I. A., Rudd, J. M., Leeflang, P. S. H., & Greenly, G. E. (2012). Antecedents to strategic Flexibility: Management Cognition, Firm Resources and Strategic Options. *European Journal of Marketing*, 46(10), 1320-1339. doi: 10.1108/03090561211248053
- [23] Combs, J. G., Ketchen Jr, D. J., Ireland, R. D., & Webb, J. W. (2011). The Role of Resource Flexibility in Leveraging Strategic Resources. *Journal of Management Studies*, 48(5), 1098-1125. doi: 10.1111/j.1467-6486.2009.00912.
- [24] Covin, J. G., & Lumpkin, G. T. (2011). Entrepreneurial Orientation Theory and Research: Reflections on a Needed Construct. *Entrepreneurship Theory and Practice*, September, 855-872. doi: 10.1111/j.1540-6520.2011.00482.
- [25] Covin, J. G., & Slevin, D. P. (1989). Strategic Management of Small Firm in Hostile and Benign Environments *Strategic management Journal*, 10, 75-87.
- [26] Daniels, R. L., Mazzola, J. B., & Shi, D. (2004). Flow Shop Scheduling with Partial Resource Flexibility. *Management Science*, 50(5), 658-669. doi: 10.1287/mnsc.1040.0209
- [27] Day, G. S. (1994). The Capabilities of Market-Driven Organizations. *Journal of Marketing*, 58(October), 37-52.
- [28] Day, G. S., & Schoemaker, P. J. H. (2005). Scanning The Pherphery. *Harvard Business review*, November, 135-148.
- [29] Deshpande, R., Grinstein, A., Kim, S. H., & Ofek, E. (2013). Achievement Motivation, Strategic Orientations and Business Performance in Entrepreneurial Firms How Different are Japanese and American Founders. *International Marketing Review*, 30(3), 231-252. doi: 10.1108/02651331311321981
- [30] Eggers, F., Kraus, S., Hughes, M., Laraway, S., & Snyckerski, S. (2013). Implications of Customer and Entrepreneurial Orientations for SME Growth. *Management Decision*, 51(3), 524-546. doi: 10.1108/00251741311309643
- [31] Eisenhardt, K. M., & Martin, J. A. (2000). Dynamic Capabilities What are They? *Strategic management Journal*, 21, 11051121.
- [32] Eriksson, T., Nummela, N., & Saarenketo, S. (2014). Dynamic capability in a small global factory. *International Business Review*, 23(1), 169-180. doi: 10.1016/j.ibusrev.2013.03.007
- [33] Esturilho, C. G., & Estorilio, C. (2010). The deployment of manufacturing flexibility as a function of company strategy. *Journal of Manufacturing Technology Management*, 21(8), 971-989. doi: 10.1108/17410381011086793
- [34] Fairoz, F. M., Hirobumi, T., & Tanaka, Y. (2010). Entrepreneurial Orientation and Business Performance of Small and Medium Scale Enterprise of Hambatota Sri Lanka *Asian Social Science*, 6(3 (March)), 34-46.
- [35] Ferdinand, A. T., & Batu, K. L. (2013). MAISCap-Marketing Architectural Isolating Capability As Antecedents For Success of New Product Development. *Journal of Economics, Business, and Accountancy Ventura*, 16(3), 487–502.
- [36] Fernández-Pérez, V., Verdú-Jóver, A. J., & Benitez-Amado, J. (2013). Managerial social networks and strategic flexibility: the role of strategic orientation. *Personnel Review*, 42(2), 134-153. doi: 10.1108/00483481311309357
- [37] Flint, D. J., Blocker, C. P., & Boutin, P. (2008). Customer Value Anticipation as an Operant resource Driving Customer Satisfaction and Loyalty. Paper presented at the Otago Forum 2 (2008).
- [38] Flint, D. J., Blocker, C. P., & Boutin, P. J. (2011). Customer value anticipation, customer satisfaction and loyalty: An empirical examination. *Industrial Marketing Management*, 40(2), 219-230. doi: 10.1016/j.indmarman.2010.06.034
- [39] Fontela, E., Guzman, J., Perez, M., & Santos, F. J. (2006). The Art of Entrepreneurial Foresight. *Foresight*, 8(6), 3-13. doi: 10.1108/14636680610712496
- [40] Frank, H., Kessler, A., & Fink, M. (2010). Entrepreneurial Orientation and Business Performance - A Replication Study. *Schmalenback Buiness review*, 62(April), 175-198.
- [41] Gebauer, H. (2011). Exploring The Contribution of Management Innovation to the Evolution of Dynamic Capabilities. *Industrial Marketing Management*, 40, 1238–1250. doi: 10.1016/j.indmarman.2011.10.003
- [42] Gindy, N. N., & Saad, S. M. (1998). Flexibility and Responsiveness of Machining Environments. *Integrated Manufacturing Systems*, 9(4), 218–227.
- [43] Grande, J., Madsen, E. L., & Borch, O. J. (2011). The Relationship Between Resources, Entrepreneurial Orientation and Performance in Farm-based Ventures. *Entrepreneurship & Regional Development*, 23(3-4), 89-111. doi: 10.1080/08985620903183710
- [44] Gray, G. T., & Wert-Gray, S. (2012). Marketing Entrepreneurship: Linking Alertness to Entrepreneurial Opportunities with Strategic Orientations. *Journal of Marketing Development and Competitiveness*, 6(3), 105-119.
- [45] Günsel, A., Açıkgöz, A., Tükel, A., & Ögüt, E. (2012). The Role Of Flexibility On Software Development Performance: An Empirical Study On Software Development Teams. *Procedia - Social and Behavioral Sciences*, 58, 853-860. doi: 10.1016/j.sbspro.2012.09.1063
- [46] Guo, H., & Cao, Z. (2014). Strategic flexibility and SME performance in an emerging economy: A contingency perspective. *Journal of Organizational Change Management*, 27(2), 273-298. doi: 10.1108/jocm-11-2012-0177

- [47] Hakala, H., & Kohtamaki, M. (2011). The Configuration of Entrepreneurial, Customer and Technology Orientation Differences in Learning and Performance of Software Companies. *International Journal of Entrepreneurial Behavior & Research*, 17(1), 64-81.
- [48] Hough, J. R., & White, M. A. (2004). Scanning Actions and Environmental Dynamism: Gathering Information for Strategic Decision Making. *Management Decision*, 42(6), 781-793.
- [49] Hsieh, C., Nickerson, J. A., & Zenger, T. R. (2007). Opportunity Discovery, Problem Solving and a Theory of the Entrepreneurial Firm. *Journal of Management Studies*, 44(7 November), 1255-1277.
- [50] Hua, S., & Kang-kang, Y. (2009). Access Flexibility, Trust and Performance in Achieving Competitiveness An empirical study of Chinese suppliers and distributors. *Journal of Chinese Economic and Foreign Trade Studies*, 2(1), 31-46. doi: 10.1108/17544400910934333
- [51] Jantunen, A. (2005). Knowledge-processing Capabilities and Innovative Performance: An Empirical Study. *European Journal of Innovation Management*, 8(3), 336-349.
- [52] Johannesson, J., & Palona, I. (2010). Environmental Turbulence and the Success of a Firm's Intelligence Strategy: Development of Research Instruments. *International Journal of Management*, 27(3), 448-.
- [53] Julien, P.-A., & Ramangalahy, C. (2003). Competitive Strategy and Performance of Exporting SMEs: An Empirical Investigation of the Impact of Their Export Information Search and Competencies. *Entrepreneurship Theory and Practice*(Spring), 227-245.
- [54] Karia, N., Wong, C. Y., & Asaari, M. H. A. H. (2012). Typology of Resources and Capabilities for Firms' Performance. *Procedia - Social and Behavioral Sciences*, 65, 711-716. doi: 10.1016/j.sbspro.2012.11.188
- [55] Keh, H. T., Nguyen, T. T. M., & Ng, H. P. (2007). The effects of entrepreneurial orientation and marketing information on the performance of SMEs. *Journal of Business Venturing*, 22(4), 592-611. doi: 10.1016/j.jbusvent.2006.05.003
- [56] Ketkar, S., & Sett, P. K. (2010). Environmental dynamism, human resource flexibility, and firm performance: analysis of a multi-level causal model. *The International Journal of Human Resource Management*, 21(8), 1173-1206. doi: 10.1080/09585192.2010.483841
- [57] Killen, C. P., & Hunt, R. A. (2009). Dynamic Capability Through Project Portfolio Management in Service and Manufacturing Industries. *International Journal of Managing*, 3(1), 157-169. doi: 10.1108/17538371011014062
- [58] Kramarz, M., & Kramarz, W. (2014). The Flexibility and Specialization of Resources - Competitive Strategies of Materials Decoupling Points of a Network Supply Chain of Metallurgic Products. *Procedia - Social and Behavioral Sciences*, 111, 741-750. doi: 10.1016/j.sbspro.2014.01.108
- [59] Kreiser, P. M. (2011). Entrepreneurial Orientation and Organization Learning: The Impact of Network Range and Network Closure. *Entrepreneurship Theory and Practice*(September), 1025-1050. doi: 10.1111/j.1540-6520.2011.00449.
- [60] Lam, S. K., Kraus, F., & Ahearn, M. (2010). The Diffusion of Market Orientation Throughout the Organization: A Social Learning Theory Perspective. *Journal of Marketing*, 74(September), 61-79.
- [61] Levinthal Daniel A. (1991). Organizational Adaptation and Environmental Selection-Interrelated Process of Change. *Organization Science*, 2(1), 140-145.
- [62] Lim, L. K. S. (2013). Mapping Competitive Prediction Capability: Construct Conceptualization and Performance Payoffs. *Journal of Business Research*, 66, 1576-1586. doi: 10.1016/j.jbusres.2012.09.021
- [63] Lin, C.-H., Peng, C.-H., & Kao, D. T. (2008). The innovativeness effect of market orientation and learning orientation on business performance. *International Journal of Manpower*, 29(8), 752-772. doi: 10.1108/01437720810919332
- [64] Lin, S., & Piercy, N. (2013). New Product Development Competencies and Capabilities: The Case of The Fashion SME. *Journal of general Management*, 38(2 Winter), 61-77.
- [65] Lopez, S. P., Peon, J. M. M., & Ordas, C. J. V. (2005). Organizations Learning as Determining Factor for Business Performance. *The Learning Organizations*, 12(3), 227-245. doi: 10.1108/09696470510592494
- [66] Lumpkin, G. T., & Dess, G. G. (1996). Clarifying The Entrepreneurial Orientation Construct and Linking It To Performance. *Academy of Management Review*, 21(1), 135-172.
- [67] Makkonen, H., Pohjola, M., Olkkonen, R., & Koponen, A. (2014). Dynamic capabilities and firm performance in a financial crisis. *Journal of Business Research*, 67(1), 2707-2719. doi: 10.1016/j.jbusres.2013.03.020
- [68] March, J. G. (1991). Exploration and Exploitation in Organizational Learning. *Organization Science*, 2(1), 71-87.
- [69] Mesa, A. F., & Vidal, J. A. (2013, 10-13 April 2013). Linking EO and Export Intensity: How Organizational Learning Capability and Innovation Performance Affect this Relationship. Paper presented at the 2013 EU-SPRI Forum Conference Management of Innovation Policies, Madrid
- [70] Miller, D. (1983). The Correlates of The Entrepreneurship In Three Types of Firms. *Management Science*, 29(7), 770-791.
- [71] Miller, D. (2011). Miller (1983) Revisited A Reflection on EO Research and Some Suggestion for Future. *Entrepreneurship Theory and Practice*(September), 873-894. doi: 10.1111/j.1540-6520.2011.00457.
- [72] Miller, R., Poli, R., & Pierre, R. (2013). The Discipline of Anticipation: Exploring The Key Issues. Paper presented at the Unesco, Paris.
- [73] Moreno, A. M., & Casillas, J. C. (2008). Entrepreneurial Orientation and Growth of SMEs A Causal Model. *Entrepreneurship Theory and Practice*(ei), 507 - 528.
- [74] Nakano, M. (2009). Collaborative forecasting and planning in supply chains: The impact on performance in Japanese manufacturers. *International Journal of Physical Distribution & Logistics Management*, 39(2), 84-105. doi: 10.1108/09600030910942377
- [75] Nasution, H. N., Mavondo, F. T., Matanda, M. J., & Ndubisi, N. O. (2011). Entrepreneurship: Its relationship with market orientation and learning orientation and as antecedents to innovation and customer value. *Industrial Marketing Management*, 40(3), 336-345. doi: 10.1016/j.indmarman.2010.08.002
- [76] Nonaka, I., & Krogh, G. v. (2009). Tacit Knowledge and Knowledge Conversion: Controversy and Advancement in Organizational. *Organization Science*, 20(3 May-June), 635-652. doi: 10.1287/orsc.1080.0412
- [77] Penrose, E. (1959). *The Theory of The Growth of The Firm* (Fourth ed.). New York United States: Oxford University Press Inc., New York.
- [78] Prahalad, C. K., & Hamel, G. (1990). The Core Competence of The Corporation. *Harvard Business review*(May-June), 1-15.
- [79] Prieto, I. M., & Revilla, E. (2006). Learning Capability and

- Business Performance a Non Financial and Financial Assessment. *The learning Organization*, 13(2), 166-185. doi: 10.1108/09696470610645494
- [80] Qiu, T. (2008). Scanning for competitive intelligence: a managerial perspective. *European Journal of Marketing*, 42(7/8), 814-835. doi: 10.1108/03090560810877178
- [81] Rauch, A., Wiklund, J., Lumpkin, G. T., & Frese, M. (2009). Entrepreneurial Orientation and Business Performance: An Assessment of Past Research and Suggestions for the Future. *Entrepreneurship Theory and Practice*, 33(3), 761-787. doi: 10.1111/j.1540-6520.2009.00308.
- [82] Rhee, J., Park, T., & Lee, D. H. (2010). Drivers of Innovativeness and Performance for Innovative SMEs In Shout Korea: Mediation of Learning Orientation. *Technovation*, 30, 65-75. doi: 10.1016/j.technovation.2009.04.008
- [83] Rodriguez, R. R., Escoto, R. P., Bru, J. M., & Bas, A. O. (2008). Collaborative forecasting management: fostering creativity within the meta value chain context. *Supply Chain Management: An International Journal*, 13(5), 366-374. doi: 10.1108/13598540810894951
- [84] Runyan, R., Droge, C., & Swinney, J. (2008). Entrepreneurial Orientation versus Small Business Orientation: What Are Their Relationships to Firm Performance. *Journal of Small Business Management*, 46(4), 567 - 588.
- [85] Sanchez, R. (1995). Strategic Flexibility in Product Competition. *Strategic management Journal*, 16(Special Issue), 135-159.
- [86] Santos-Vijande, M. L., López-Sánchez, J. Á., & Trespalacios, J. A. (2012). How organizational learning affects a firm's flexibility, competitive strategy, and performance. *Journal of Business Research*, 65(8), 1079-1089. doi: 10.1016/j.jbusres.2011.09.002
- [87] Santra, K. (2017). Using Structural Equation Modeling To Assess The Budget Hotel Performance In Bali Indonesia. Department Of Management. Bali State Polytechnic, 8, 933-951.
- [88] Sapienza, H. J., Autio, E., George, G., & Zahra, S. A. (2006). A Capabilities Perspective On The Effects Of Early Internationalization On Firm Survival And Growth. *Academy of Management Review*, 31(4), 914-933.
- [89] Schienstock, G. (2009). Organizational Capabilities: Some Reflection on The Concept. Paper presented at the IAREG Working Paper 1.2 c.
- [90] Shane, S. (2000). Prior Knowledge and the Discovery of Entrepreneurial Opportunities. *Organization Science*, 11(4), 448-469.
- [91] Smith, M. E., & Prieto, I. M. (2008). Dynamic Capabilities and Knowledge Management: an Integrative Role for Learning. *British Journal of Management*, 29, 235-249. doi: 10.1111/j.1467-8551.2007.00543.
- [92] Stam, W., & Elfring, T. (2008). Entrepreneurial Orientation and New Venture performance: The Moderating Role Of Intra and Extra Industry Social Capital. *Academy of Management Journal*, 51(1), 97-111.
- [93] Su, Z., Xie, E., & Li, Y. (2011). Entrepreneurial Orientation and Firm Performance in New Ventures and Established Firms. *Journal of Small Business Management*, 49(4), 558-577.
- [94] Tang, Y.-C., & Liou, F.-M. (2010). Does Firm Performance Reveal its Owns Cause. *Strategic management Journal*, 31, 39-57. doi: 10.1002/smj.799
- [95] Thomas, J. B., Clark, S. M., & Giola, D. M. (1993). Strategic Sensemaking and Organizational Performance: Linkages Among Scanning, Interpretation, Action, and Outcomes. *Academy of Entrepreneurship Journal*, 36(2), 239-270.
- [96] Tracey, J. B. (2012). A contextual, flexibility-based model of the HR-firm performance relationship. *Management Decision*, 50(5), 909-924. doi: 10.1108/00251741211227609
- [97] Unger, J. M., & Homburg, B. (2006). Entrepreneurial Success The Role of Human Capital and Learning.(Doctor), Universität Gießen.
- [98] Vairaktarakis, G. L. (2003). The Value of Resource Flexibility in the Resource-Constrained Job Assignment Problem. *Management Science*, 49(6), 718-732.
- [99] Verdu-Jover, A. J., Llorens-Montes, F. J., & Garcí'a-Morales, V. J. (2004). The Concept of Fit in Services Flexibility Research: an Empirical Approach. *International Journal of Service Industry Management*, 15(5), 499-514. doi: 10.1108/09564230410564957
- [100] Wang, C. L. (2008). Entrepreneurial Orientation, Learning Orientation and Firm Performance. *Entrepreneurship Theory and Practice*, 32(4), 635 - 656.
- [101] Wang, C. L., & Ahmed, P. K. (2007). Dynamic Capability: a Review and Research Agenda. *The International Journal of Management Review*, 9(1), 31-51.
- [102] Wang, Y.-L., Ellinger, A. D., & Wu, Y.-C. J. (2013). Entrepreneurial Opportunity Recognition: an Empirical Study of R&D Personnel. *Management Decision*, 51(2), 248-266. doi: 10.1108/00251741311301803
- [103] Wang, Y., Zeng, D., Benedetto, G. A. D., & Song, M. (2013). Environmental Determinants of Responsive and Proactive Market Orientations. *Journal of Business & Industrial Marketing*, 28(7), 565-576. doi: 10.1108/JBIM-10-2011-0156
- [104] Wiklund, J. (1999). The Sustainability of Entrepreneurial Orientation - Performance Relationship *Entrepreneurship Theory and Practice*(Fall), 37.
- [105] Wiklund, J., & Shepherd, D. (2003). Knowledge-based Resources Entrepreneurial Orientation and The Performance of Small and Medium Sized Firm. *Strategic management Journal*, 24, 1307-1314.
- [106] Wiklund, J., & Shepherd, D. (2005). Entrepreneurial orientation and small business performance: a configurational approach. *Journal of Business Venturing*, 20(1), 71-91. doi: 10.1016/j.jbusvent.2004.01.001
- [107] Wiklund, J., & Sherperd, D. (2005). Entrepreneurial Orientation and Small Business Performance a Configurational Approach. *Journal of Business Venturing*, 20, 71-91. doi: 10.1016/j.jbusvent.2004.01.001
- [108] Yajun, L., & Jinsheng, H. E. (2009). The Influence of Entrepreneurial Orientation and Organizational Learning to Core Competence and Performance. *Science of Science and Management of S. & T*, 04.
- [109] Yang, C.-W. (2008). The Relationships Among Leadership Styles, Entrepreneurial Orientation, and Business Performance. *Managing Global Transitions*, 6(3), 257-275.
- [110] Yu, J. (2012). Dimensions of Firm Integrative Capability from The Perspective of System Engineering. *System Engineering Procedia*, 4, 393-401. doi: 10.1016/j.sepro.2012.01.002
- [111] Zhao, Y., Li, Y., Lee, S. H., & Chen, L. B. (2011). Entrepreneurial Orientation, Organizational Learning and Performance: Evidence from China *Entrepreneurship Theory and Practice*, March, 293-317. doi: 10.1111/j.1540-6520.2009.00359.
- [112] Zubac, A., Hubbard, G., & Johnson, L. W. (2010). The RBV and value creation: a managerial perspective. *European Business Review*, 22(5), 515-538. doi: 10.1108/09555341011068921