

Entrepreneurial Thinking and Small Business Performance: The Case of Beneficiary Companies of Jordanian Erada Program

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Abstract

This paper focused on the relationship between the four main dimensions of entrepreneurial thinking and the performance of 384 Jordanian companies. A survey of 384 small companies exposed the presence of a direct and positive relationship between the four dimensions of entrepreneurial thinking, namely identification of opportunity, risk-taking, tolerance ambiguity and creative and innovative, and performance. The findings highlighted the idea that the more the Jordanian companies identify their opportunities, accept the risk of success or failure, accept tolerance ambiguity and encourage the innovation, the more they will improve their performance. Furthermore, the outcome of the four relationships; innovation-performance, risk taking-performance, tolerance ambiguity-performance and opportunity identification-performance is enormous and statistically significant. This study offered references for enterprises of how their entrepreneurial thinking positively influences their performance.

Keywords: innovativeness, opportunity, risk-taking, entrepreneurial thinking, performance

1. Introduction

This study explores the significance of entrepreneurial thinking to the performance of small business engaged in entrepreneurial projects. Many small businesses face large challenges when their competitive and political environment changes. Their survival and future existence in these situations depends on their ability to adapt to these changes. Generally speaking, thinking style is considered as the preferred pattern of an individual for using his mental abilities in tackling day-to-day demands and activities with the inclusion of the perception, and solution of problems and challenges that he faces. An individual's thinking style is partially developed via socialization and is frequently operated unconsciously although it may consciously differ on account of perceived expedience and demands of a specific circumstance (Dane & Pratt, 2007; Sternberg, 1994; 1997). In entrepreneurship, thinking and action are linked to attitude to work and working behavior and this is the reason why it has become a crucial competence factor. However, entrepreneurial thinking refers to the thoughts concepts that are not directed forward but it is one that makes a difference (Clouse et al., 2003; Higdon, 2005; Kuratko, 2009). As identified by Krueger (2007) and Gaglio (2004), entrepreneurial thinking is the capacity to see the world and the environment as an open market, and in turn, to involve the essential activities to exploit opportunities that exist. Entrepreneurial thinking includes looking beyond the current and envisioning what the future can carry with the individual's and other's aggregate initiatives. As indicated by Krueger (2007), a fruitful business may be arranged by a specialist mindset.

When individuals begin to discuss entrepreneurship, they begin with the meaning of entrepreneurs and their ventures (Fairbrothers & Winter, 2011). More specifically, in entrepreneurial firms, people exist differently as compared to in traditional firms, and in this context, they think differently concerning their organization, in terms of how it is organized, the tasks they have, and their position in it (Baron, 1998). This is supported by Oosthuysen (2009) who claimed that success in small businesses can be reinforced by the promotion of sufficient entrepreneurship by unleashing the owner's/manager's entrepreneurial mindset. To this end, not all business owners possess the relevant entrepreneurial mindset for success (Kiyosaki & Letcher, 2003). It is believed that such a mindset requires innovative, inclined, and energetic attempt towards a given opportunity through rapid awareness, action and reaction for potential advantage (Shepherd et al., 2009; Scheepers, 2009). Along the lines of entrepreneurial thinking, McGrath & MacMillan (2000) also stressed the need for the passionate search for lucrative opportunities, goal orientation, considerable discipline and inner-drive in order to achieve an

entrepreneurial mindset for economic outcome.

The importance of entrepreneurial thinking in the survival and success of individual firms cannot be over emphasized and this has been an area that has received very little research attention. Large mindset enables entrepreneurs to assemble diverse resources and information in order to achieve an entrepreneurial mindset for economic outcome. This entrepreneurial thinking includes the opportunity recognition, which the entrepreneur has with risk taking, creative and innovative and tolerance ambiguity. This also includes the procedure of recognizing, forming, and seeking after entrepreneurial opportunities as a point of convergence in the field of entrepreneurship, where the intellectual procedures of mental simulation and counterfactual thinking are proposed as instruments by which entrepreneurs distinguish and create opportunity (Shane & Venkataraman, 2000; Venkataraman, 1997). Nevertheless, there is still rarity in studies in the present time dealing with the impacts of entrepreneurial thinking usage in the success of a business in the context of Jordan. Thus, the present paper analyzes the findings of studies concerning the use of entrepreneurial thinking by Jordanian entrepreneurs in Erada program, one of the famous entrepreneurial programs in the central region of Jordan.

2. Literature Review

2.1 Entrepreneurial Firm Performance

Performance is generally defined as the personnel's successful attempt in reaching the strategic objectives of the firm in four aspects namely finance, customer process, learning and growth. The definition indicates that organization performance comprises of the outcomes of management decisions in regards to effectively and efficiently achieving a specific objective (Chuan et al., 2014). Performance understanding and enhancement is a significant goal in the field of entrepreneurship (Covin & Slevin, 1991). Antony & Bhattacharyya (2010) defined the concept of performance measurement as the measure of evaluation and assessment of the organization in the way it created and delivered value to both groups of stakeholders (external and internal).

In literature concerning the topic, there is a gap in studies particularly in the developing countries of Asia (Kiriri, 2005; Zainol & Ayadurai, 2011). According to the Asian SME Summit (2009), 85% of SMEs are faced with challenges and over 75% fail within five years of inception, indicating that SMEs are risk takers and innovative to take on challenges and ensure long-term survival.

2.2 Entrepreneurial Thinking

The field of entrepreneurship has seen a remarkable increase in studies focusing on cognitive relations. Given the entrepreneurial mindset, business owners will be capable of accessing business opportunities, markets, ideas, information, advice, and other resources (Clouse et al., 2003; Higdon, 2005; Kuratko, 2009; Ani & Amin, 2002; Unwina, 2005). Despite the attempts to tackle the requirement for understanding the nature and effect of entrepreneurial thinking, researchers have failed to consider the differences throughout individuals in their inclination to interact in the processes of novel or available sources of market information that influences the recognition of entrepreneurial opportunity (Gaglio, 1997b).

More importantly, there exists an unclear and ambiguous picture of the importance of motivational influences that could potentially shed a light on the nature of entrepreneurial thinking and decision-making (Shane, Locke, & Collins, 2003b). Owing to the acknowledgement of entrepreneurial opportunities as an event that only comes once in a while, it is challenging for researchers to view it in field research efforts. Consequently, empirical efforts created to obtain differences in the way entrepreneurs are distinct from their non-entrepreneurial counterparts, and with the way they think about information linked to economic opportunity, are still few and far between (Busenitz, 1996; Singh, 2000).

Also, only few researches have considered the way various cognitive inputs may come together and influence the thoughts and actions of an entrepreneur (Krueger, 2003). According to Shaver et al. (1991), the question lies in what the entrepreneurial thought process is and how individual and social information sources integrate with other cognitive tendencies to lead to entrepreneurial actions.

Moreover, the basic entrepreneurial role has been looked upon as decision-making in strange, dynamic and risky economic environments (Gwartney et al., 2003). This indicates that entrepreneurial behavior will be affected by expectations on the basis of judgments linked to external as well as internal factors (Casson, 2003). As a result, every cognitive factor is considered important to the decision making process of the entrepreneur as each displays the particularly future-oriented and holistic nature of behavior that is motivated by entrepreneurship. To this end, it was concluded by Casson (2003) that an entrepreneur is best described as one who specializes in making decisions concerning the limited resources coordination (p. 225).

In order to understand the development of entrepreneurs as expert professionals, researchers and authors have

dedicated their attention to the way their thinking and learning structures are built, whether such structures are tacit or otherwise (Kruegar, 2007).

2.3 Entrepreneurial Thinking Dimensions

In the present study, risk taking, innovative and creativity, opportunity recognition and tolerance ambiguity are considered as the four major entrepreneurial thinking dimensions—these dimensions were proposed in Covin & Slevin's (1991) study and integrated in other studies (e.g., Lumpkin & Dess, 1996; Ani & Amin, 2002; Clouse et al., 2003; Timmons & Spinelli, 2004; Higdon, 2005; De Bono, 2006; Mohamad et al., 2014). Additionally, in a related study, risk-taking, innovativeness and competitive rivalry were addressed as a three-way interaction towards the performance of the firm by Gibb & Haar (2010).

The above discussion indicates that a relationship exists among the many dimensions of entrepreneurial thinking (ET), and performance outcome with mixed results. The question of whether or not entrepreneurial thinking dimensions positively or negatively influence firm performance arises. According to Covin & Slevin (1991), entrepreneurial organization displays three significant faces; innovativeness, proactiveness and risk taking. Their model proposed that high levels of entrepreneurial thinking must be associated with individual measures that match these dimensions.

Previous studies defined creativity from the employees' perspectives as the development of useful and new solutions to handle work challenges (Amabile, 1988, 1996), whereas innovation refers to the work teams implementation of unique and useful ideas in a team setting (Pirola-Merlo & Mann, 2004). Consequently, worker creativity is an essential element for team innovation (Yuan & Woodman, 2010). Innovativeness is the inclination to involve in creativity and research over the introduction of new products/services as well as technological leadership through R & D in novel procedures (Mason, 2015). This relationship may be attributed to the dynamic business environment that is characterized by short life cycles and increased uncertainty (Rauch et al., 2004).

Moreover, the competitors' as well as customers' reactions remain unpredictable. This is the reason why businesses should begin taking up innovation on a regular basis, to expect demands and take risk into consideration, to aggressively compete and sustain new niches in the market. It is thus logical to state that both innovation and creativity in an attempt to grow are the two main elements that distinguish small businesses and other non-opportunistic entrepreneurial activities from opportunistic ones. To this end, Deakin & Freel (2003) mentioned that Shackle (1993) described creativity as a significant element in the process of entrepreneurship while Webster (1976) described it as the ability to bring something new to the market.

Regarding risk appraisal, it is described as the situation where an individual is attempting to decide whether or not to conduct a risky behavior, that ranges from venture start-up to trading activity and new product, but with the common element that the individual should weight the risk and consider it acceptable or not based on his judgment (Biggs, Stey, Davoli, Lapsley, & Borckmole, 2014). On the basis of literature concerning entrepreneurship, an entrepreneur is described as one who takes risks expecting to receive a profit/reward for it. Majority of studies on risk-taking behavior among entrepreneurs concentrate on the risk-profile of entrepreneurs in that whether or not they are higher risk-takers compared to their non-entrepreneur counterparts (Biggs, Stey, Davoli, Lapsley, & Borckmole, 2014). At the firm level, risk taking has been considered from various points of view such as the risks involved in seeking opportunity (Hills et al., 1997), decision making (Busenitz, 1996) and the whole inclination to enter into risk-taking situations in a continuous manner.

Another dimension is opportunity recognition and it is defined as identifying the potential for new profit through the founding and formation of a new business venture or significant enhancement of an existing venture (Christensen & Peterson, 1990). In opportunity recognition, the nature of opportunities as well as the opportunity recognition process may play a key role as researchers asserted that opportunity recognition is the core of entrepreneurship (Ireland et al., 2003). Therefore, opportunity recognition has been extensively considered as a major stage in the process of entrepreneurship and it has been focused on by several researches in the entrepreneurship field.

Furthermore, often times, entrepreneurs are faced with situations wherein there are risky returns for their activities and such situation is known as uncertainty or ambiguity. Ambiguity or uncertainty refers to the lack of clarity or precision which can stem from purposive strategy or lack of information/knowledge, with both ultimately leading to risk (Rigotti, Ryan, & Vaithianathan, 2008). Ambiguity can be mitigated through planning and an entrepreneur often embraces ambiguity and considers it as an opportunity, as it created an unexpected challenge to the opportunities bringing about change in the context of traditional organizations.

Contrastingly, traditional organizations are created to generate a stable, predictable performance through the elimination of unexpected and unauthorized behavior (Jelinek & Litterer, 1995). According to Jelinek & Litterer (1995), there are three central interrelated properties in organizations namely shared management, mindful alertness to ambiguities, and effective absorption of ambiguities. A major portion of entrepreneurial decisions may also entail ambiguity as such decisions lead to innovative and authentic actions. In this regard, entrepreneurs will have greater capability of tolerance for ambiguous matters compared to their management counterparts indicating that the tolerance level of the former for ambiguity may help in dealing with unexpected challenges. Therefore, entrepreneurs' role as economic driver of growth is increasingly recognized. In this respect, the objective of this study is to analyze the impact of entrepreneurial thinking on the entrepreneur's small business performance. The paper also aims to find the effective usage of entrepreneurial thinking dimensions by entrepreneurs with particular reference to small scale businesses in Erada (one of the top entrepreneurial programs) located in the central region of Jordan.

3. Research Hypothesis

This study contains proposes the following four hypotheses;

H1: There is a significant relationship between identifying opportunity and small business performance in Jordan.

H2: There is a significant relationship between risk taking and small business performance in Jordan.

H3: There is a significant relationship between tolerance ambiguity and small business performance in Jordan.

H4: There is a significant relationship between creativity and innovation and small business performance in Jordan.

4. Research Methodology

Primary data was gathered from the entrepreneurs in small scale Erada firms in the central regions of Jordan (Amman, Asalt, & Azarqa). For relaxed and smooth running of the firms, the entrepreneurs are provided the Erada link in which all participants (individuals' owner/manager business) are expected to join its centers. The Erada centers are divided into 8 zones in the central region. The sample was drawn with the help of random sampling and questionnaires were distributed to such sample comprising of owners/managers who had been in business for over two years. Out of 850 questionnaires distributed, 432 were returned, indicating a response rate of 51%. Questions relating to demographic characteristics, awareness of any entrepreneurial thinking dimensions relevant to their business, asset acquired, challenges and suggestions for improvement on entrepreneurial thinking were included in the questionnaire and data was analyzed using SPSS.

Business performance of the firm was measured through a combination of financial and non-financial measures including the annual sales growth, annual profits growth, annual employee growth, market share and investment to the business. These performance variables were adopted from Pushpakumari & Watanabe (2009), and were modified to suit the study objectives. It was found that most of the SMEs in Jordan do not maintain financial reports properly and they are reluctant to disclose data, even if available (Alhyari, 2013). Therefore, the owner/managers were asked to indicate the trend of each of these indicators during the last three years as "Highly increased", "Increased", "Moderate", "Decreased" and "Highly decreased" using a 5-point scale. We distinguished between subjective and objective performance measures as performance types following Brinckmann et al. (2010) and Cano et al. (2004). In subjective performance, respondents were requested assess their performance relative to competition or their own plans. The responses were collected and descriptive statistics and SPSS method were adopted in analyzing the responses and testing the hypotheses.

As mentioned, out of 850 questionnaires distributed, only 432 entrepreneurs participated (50.8%) at the end of the data collection period. Upon inspection, 13 cases (3%) were excluded due to several missing data per case. After deleting the missing data and outliers, the questionnaires left for further data analysis were 412, yielding a valid response rate of 48.9% from the total number distributed (412/850).

5. Results

5.1 Demographic Profile of the Respondents

In this paper, the sample characteristics contain five major items: (1) gender, (2) age, (3) level of education, (4) experience, (5) and training. The results were achieved after analyzing the demographic variables. The recurrence and rate for every variable is recorded by study classifications as presented in Table 2. In the last specimen, 285 (69.2%) of the respondents were males and 127 (30.8%) were females. It is understood that the larger part of sample recoded 69.2% were male, and most of the respondent's age fluctuated between 20-30 years

of age (27.2%). Owners/managers age was a standout amongst the most imperative trademark that was over and again used to anticipate small business performance (Storey, 1994; Lussier & Pfeifer, 2001; Carter & Jones, 2000), indicating that this might be a typical rule. This is in regards to the expanding rate of populace that has added to the issue of unemployment, recorded at around 14%, especially among young people in the age classification of 20-29 (Central Bank of Jordan, 2014). With respect to entrepreneurs encountering the lion's share of respondents (27.7%) had 1-5 years of experience and the least of respondents had 6-10 years of experience (11.4 %). The biggest group of entrepreneurs had vocational education (46.1%) and the smallest group had PhD level (0.7%). On the other hand, looking at the average of operation periods for small businesses in Jordan, majority of respondents (44.2%) recorded operation period between 6-10 years. Moreover, the majority of respondents (71.8%) recorded employee numbers of (1-5) employees. Finally, the analysis shows that 45.6% of the respondents were located in Amman.

5.2 Description of Respondents

Based on a review of the literature related to the measurement of performance, three objective measures of growth will be included: sales growth, increase in number of employees, and increase in profitability over a three-year period (Rauch et al., 2004; Wiklund & Shepherd, 2005). Table 1 shows that the mean score of small business performance ranges from moderate-high level at 3.22. This result confirms the respondents' perception of performance in this model context. Standard deviation for small business performance variables is 1.08 which reflects the existence of considerable acceptable variability within the data set. However, the various values indicate that all answers for the study variables are substantially different or varied from one respondent to another, signifying the existence of a tolerable variance in responses. To assess the level of entrepreneurial thinking dimensions, a five-point Likert's scale was used to measure the items for each dimension of the entrepreneurial thinking; namely the dimensions of opportunities (16 items), risk taking (5 items), creativity and innovation (4 items), and tolerance of ambiguity (4 items). These items were measured based on "1" as strongly disagree to "5" as strongly agree. The researcher used 29 items adopted from Mohamad, Buang, & Hussain (2014). Most of these items were modified to suit entrepreneurial thinking in small businesses performance settings. For example, the statement "I believe that business ideas have relationship with the needs of the community" is modified to the statement "Our company believes that business ideas have relationship with the needs of the community".

Table 1. Descriptive statistic of all principle constructs (N= 412)

	Total Items	Minimum	Maximum	Mean	Std. Deviation	level
Identification of opportunity EIO	16	1.00	5.00	3.1898	.85924	M
Risk taking ERT	5	1.00	5.00	3.2087	.88175	M
Tolerance ambiguity ETA	4	1.00	5.00	3.1699	.92061	M
Creative & innovative ECI	4	1.00	5.00	3.0024	.81201	M
Performance of small businesses PSB	5	1.00	5.00	3.2277	1.08657	M

According to Table 1 above, 412 valid cases of mean and standard deviation for all the variables were analyzed. The four-point interval scales were categorized into equal-sized categories of low level, moderate low, moderate high and high level.

Subsequently, the mean scores of less than 3.00 were considered low value (L), mean scores of 3 to 5 were considered moderate value (M) and mean scores more than 5 were considered high (H) (Md Isa, 2007). As mentioned earlier, identification of opportunity was represented by 16 items. Apparently, as shown in Table 1, the mean scores are considered moderate level (3.189), whilst the other variables are also at a moderate level. The moderate mean scores imply that respondents agreed that these variables influence small business performance. This indicates that the respondents confirm a moderate high relationship between entrepreneurial thinking and small business performance. Overall, the results in Table 1 show that all the variables are relatively moderate and above (3.0), and that respondents gave more attention to the relationship between perceived risk and small business performance. More specifically, the highest score is for risk taking (3.20). This result indicates most respondents confirmed that the risk taking has a moderate influence on small business performance. Finally, the mean score of small business performance showed a moderate level at 3.22, confirming the respondents' perception to performance in this model context.

As shown in Table 1, creative & innovative ECI seems to have the lowest standard deviation (0.812), which could be attributed to several reasons: (1) respondents did not understand the statements regarding creative &

innovative ECI in the questionnaire, (2) respondents were not sure about the role of creative & innovative ECI for small business performance, and (3) respondents may have similar views or perceptions of the influence of creative & innovative ECI on small business performance in Jordan.

5.3 Construct Reliability

Reliability is described as the consistency of measurement or the level to which an instrument measures in the same way each time it is employed to measure the same construct in the same way (Nunnally, 1978). In the present study, SPSS 19.0 was employed to determine internal consistency of the constructs. The instrument was tested through the values of Cronbach Alpha in SPSS 19.0, after which the reliability obtained was approximately 0.60, which is considered as an acceptable value according to Hair et al. (2006). Table 2 shows that all items reliability coefficients ranged from 0.826 to 0.970. In the below, a composite reliability index higher than 0.70 shows satisfactory internal consistency as explained by Hair et al. (1998).

Table 2. Cronbach's alpha for the study variables

Variable Name	Original Items	Items after FA	Cronbach's Alpha after FA
Opportunity identification	16	6	.888
Risk taking	5	3	.970
Tolerance ambiguity	4	3	.826
Creative & innovative	4	4	.890
Small business performance	5	5	.839
Total items	34	21	

As shown in the above table, Cronbach's Alpha figures indicate that the reliability coefficients of all the study variables meet the current study objectives.

6. Hypotheses Results

The rule of thumb to identify the strength of relation between two variables (r) was laid down by Cohen (1988). The hypotheses results are presented in Table 3. The hypotheses are considered accepted if they are higher than the standard value. Moreover, before conducting the analyses, the study tried the basic presumption of multicollinearity, which alludes to a condition in which one or a greater amount of the independent variables are exceptionally linked. In order to test the collinearity, the Variance Inflation Factor (VIF) is used. When the VIF value is less than 10, the collinearity assumption is not violated. Keeping in mind the end goal to test the collinearity, the Variance Inflation Factor (VIF) is utilized. At the point when the VIF quality is under 10, the collinearity supposition is not damaged. The study hypotheses testing results are shown in Table 3.

Table 3. Hypotheses results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	1.718	.214		8.022	.000		
Opportunity identification	.137	.050	.139	2.756	.006	.857	1.166
Risk taking	.133	.040	.158	3.307	.001	.959	1.042
Tolerance ambiguity	.255	.061	.237	4.185	.000	.683	1.464
Creative and innovative	-.120	.053	-.126	-2.25	.025	.696	1.437

The results in Table 3 indicate that from the four predictors, tolerance ambiguity ($\beta = .237$, $t=4.185$, $p=.000$) registered the greatest and the most significant standardized beta coefficient, indicating that tolerance ambiguity is the most important predictor of small business performance. The other significant predictors in descending order areas follows; risk taking ($\beta=.158$, $t=3.307$, $p=.001$), opportunity identification ($\beta=.139$, $t=2.756$, $p=.006$), creative and innovative ($\beta=-.126$, $t=-2.254$, $p=.025$). As a whole, the four-predictor variables affected the dependent variable in the way hypothesized; in other words, all the direct hypotheses (1-4) are supported. More specifically, small business performance may arise when the entrepreneur reports high creativity and innovativeness. This result partially agrees with many studies; for example, Martinez & Mohamad (2014) showed a high level of entrepreneurial thinking for all entrepreneurial thinking dimensions namely, identifying opportunities, risk taking, creative and innovative and tolerance of ambiguity. In addition, De Bono (2006)

explored the pattern of thinking aspect as a skill that can improve through training, practicing and learning. Entrepreneurship education and training have the ability to develop potential students towards more creative and innovative individuals, and to help them in identifying and seizing opportunities from the environment.

Moreover, according to Dweck (2009), people having a growth mindset, thrive in challenges, strive to learn and see potential in developing new skills, extend their work mindset and this is a significant implication for managers. To this end, entrepreneurship is a manner of thinking, a statement of reasons and actions impacted by opportunities (Timmons & Spinelli, 2004). Entrepreneurs are capable of thinking at a complex and high level of thinking (Mohamad, Buang, & Hussein, 2014) and they have mindset that accepts and acknowledges that the business environment is one that is dynamic and as such, it creates countless of opportunities and leads to rife competition and product marketing over a borderless area (Ani & Amin, 2002). An entrepreneurial mindset is separated from other mindsets as the entrepreneurs have the ability to understand and promote continuous improvement (Unwina, 2005) in that they often have the skills to consider the world as a platform that show cases their skills, increases their successes and impact others. Overall, the four entrepreneurial thinking examined in the study significantly differ in their ability to provide entrepreneurs with information, resources and support needed for the success of small performance. Moreover, it is possible to write the prediction equation in the following form: small Business performance = 1.718 + 0.137 (opportunity identification) + 0.133 (risk taking) + 0.255 (tolerance ambiguity) + 0.120 (creative and innovative).

7. Conclusion

The basic entrepreneurial role of entrepreneurial thinking has been looked upon as decision-making in strange, dynamic and risky economic environments. This indicates that entrepreneurial behavior will be affected by expectations on the basis of judgments linked to external as well as internal factors. As a result, every thinking factor is considered important to the decision making process of the entrepreneur as each displays the particularly future-oriented and holistic nature of behavior that is motivated by entrepreneurship. To this end, it was concluded by Casson (2003) that an entrepreneur is best described as one who specializes in making decisions concerning the limited resources coordination (p. 225). Furthermore, research has considered the way various cognitive inputs may come together and influence the thoughts and actions of an entrepreneur (Krueger, 2003). According to Shaver et al. (1991), the question lies in what the entrepreneurial thought process is and how individual and social information sources integrate with other cognitive tendencies to lead to entrepreneurial actions. The capacity to innovate and plan for growth can lead to substantial and profitable business development.

Additionally, there exists an unclear and ambiguous picture of the importance of motivational influences that could potentially shed a light on the nature of entrepreneurial thinking and decision-making. Regarding this, entrepreneurs are capable of thinking at a complex and high level and they have a mindset that accepts and acknowledges that the business environment is one that is dynamic and as such, it creates countless of opportunities and leads to widespread competition and product marketing over a borderless area. Also, people having a growth mindset, thrive in challenges, strive to learn and see potential in developing new skills, extend their work mindset and this is a significant implication for managers. To this end, entrepreneurship is a manner of thinking, a statement of reasons and actions impacted by opportunities. Therefore, entrepreneurial thinking drives entrepreneurial action where the latter refers to a deed whereby an entrepreneur will painstakingly conduct research in each business project and establish plans on the basis of facts and current situation. He will then make use of all his prior experiences, support sources and advice, formal plan, strengths and weaknesses information for the prediction of threats and opportunities. Action comes after planning, actions evaluation and corrective action in order to steer clear of failing.

8. Limitation

One of the critical limitations of this study is that only small businesses listed in Erada data base in the central region were included. Also, small business performance was measured with objective and subjective indicators compared with competitors and the last two years income as owners/managers/entrepreneurs decide, without the help of the financial statement. However, objective data is challenging to acquire as respondents are not inclined to divulge sensitive information to strangers.

9. Suggestion for Future Research

This study focuses on the relationship between the four main dimensions of entrepreneurial thinking and the performance in small companies only. Future research could investigate the model in other companies and industries in Jordan such as in the banking and insurance sectors. Other determinant factors need to be considered in future research such as technological factors (i.e., Internet), incentives, environment factors, and

infrastructure factors. The researcher used only one instrument that is questionnaire survey. Thus, the researcher suggests that the qualitative method in-depth interview be employed in future studies as it is more suitable to measure the level of dimensions of entrepreneurial amongst entrepreneurs. This can be better achieved when the researcher builds trust relationships with them and speaks their language.

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