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**ENTREPRENEURSHIP ORIENTATION AND MARKET
PERFORMANCE: MEDIATING ROLE OF
LEARNINGCAPABILITY**

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Abstract

Aim of the research is to exhibit the mediating role of the learning capability in relation between the entrepreneurship orientation and market performance of firms, to expand the literature in this area and to make a contribution. Intended for this aim, a theoretical framework and hypothesis that investigate the mediating effect have been developed. A quantitative analysis on this theoretical framework has been carried out, sets of results have been attained through the scale used making use of the data provided from 215 intermediate and senior managers who are working in firms active in manufacturing industry. In first part of the survey, demographic information's were questioned to define characteristics of firms and people filling the form. In second part, there is learning capability, market leading strategies and finally firm performance scale which is the dependent variable. The results show that there is a strong relation between the entrepreneurship orientation and market performance and the learning capability of an organization partly effects the relationship between these two concepts. At the turn of this analysis, some suggestions for researchers based on the findings obtained have been submitted.

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Keywords: Entrepreneurship orientation, organizational learning capability, market performance.



1. Introduction

In today's business world, the intensity of competition is increasing day by day with globalization, environmental, social and technological developments. Firms, in this residual competition atmosphere, take keeping up with fast-growing environmental factors as a main goal in order to survive. The growth of firms, to sustain their competitive advantage, and economic welfare are crucial for the concept of entrepreneurial orientation (Morris & Paul, 1987). The concept of entrepreneurship orientation is a strategic structure that consists of results expressed by senior managers in a level of a certain firm and management related decisions, convictions and behaviours (Covin, Green, & Slevin, 2006).

Another variable that has critical importance for firms to maintain their competitive advantages is organizational learning. Learning capability is a process string designating in what way the firm is going to use its know-how and experience, how it is going to develop the know-how with the experience coming from the past, transmit it to needing units and how It is going to store in order to reuse it later on.

Entrepreneurial elements like firms' taking risks for seizing the opportunity to score over their competitors, their being innovative and developing new skills are listed as the most important factors that increase the performance of organizations (Guth & Ginsberg, 1990; Stopford & Baden-Fuller, 1994; Lumpkin & Dess, 1996; Pittaway, 2001). Last studies examined give the thought that there is a positive relationship between the learning capability and market performance (Ellinger, Ellinger, Yang & Howton, 2002). Another study has found that the learning capability performs the role of mediating in the relation between firms' entrepreneurship orientation and their performance. Moreover, it has been also concluded that the entrepreneurship orientation increases the learning capability and innovation performance and this effects the performance of firm in a good way (Alegre & Chiva, 2013). And in another study, the mediation effect of the learning capability in between entrepreneurship orientation and performance has been supported (Wang, 2008). When examined separately, heading from the positive relation between learning capability and organizational performance and similarly positive effect of relation between entrepreneurship orientation and organizational performance; also considering the results when these concepts are examined together, it has been considered that the learning capability may have the mediating effect in the relation between the entrepreneurship orientation and market performance.

The objective of this study is to put forward the mediating role of the learning capability in effect of the entrepreneurship orientation over market performance with a study on firms working in different areas. The significance of the study is to contribute management outputs, enlightening the precautions for firms from the standpoint of managers to use their know-how and skills to increase their performance in the competitive market environment

First part of the study consists of theoretical information in which the entrepreneurship orientation and its relation with learning capability and market performance is described. Second part is an investigation section embodying a survey performed and its results. In last part of the study, there are results from implementation section.

2. Literature Review and Theoretical Framework

2.1. The Entrepreneurship Orientation:

Entrepreneurship in general could be described as a new business establishment and setting it forth (Miles, Snow, Meyer, & Coleman Jr, 1978). The entrepreneurship orientation, however, has been manifested as a different concept from entrepreneurship with developments in strategical management area. While entrepreneurship orientation is the content and new establishments, focus in the latter is considered as being the process that contains the method directors or leaders are using, decision-making system and implementations (Özşahin & Zehir, 2011). Therefore, It reflects how the firm performs the job more than what It is busy with.

There are many different descriptions by a great deal of authors about entrepreneurship and the entrepreneurship orientation. In Table 1, descriptions about the transition from entrepreneurship to the entrepreneurship orientation are listed.

Table 01. Description of Entrepreneurship Orientation

| Author | Descriptions |
|--------------------------------------|--|
| Mintzberg (1973) | In entrepreneurship, the strategy of “dramatically leaping forward across the uncertainty” is featured right along with searching for new, active opportunities. |
| Khandwalla (1976/1977) | Entrepreneur (management) manner is characterized with courageous, risky and aggressive decision-making. |
| Miller and Friesen (1982) | Entrepreneur model is valid for the firms that make continuous and courageous innovations taking important risks in product-market strategies. |
| Miller (1983) | A firm described as the entrepreneur is an organization that uses product-market innovation, undertakes risky initiatives and appears with first “proactive” innovations, thus scoring over its competitors. |
| Morris and Paul (1987) | Organization called as an entrepreneur is a firm that has proactive norms in decision making, performing innovative strategies with risky components. |
| Covin and Slevin (1988) | Entrepreneur firms are the institutions in which senior manager’s process enterprising management styles. Entrepreneurship of these firms are proved with their strategical decisions and management philosophies. Conservative or unenterprising firms are the ones senior management manner never takes risks and stays passive or reactive. |
| Merz and Sauber (1995) | The entrepreneurship orientation is the proactivity level (aggressiveness) of a firm in selected product-market area and the desire to create, generate new offers. |
| Lumpkin and Dess (1996) | The entrepreneurship orientation means the improvements leading processes, implementations and decision-making activities. It is characterized with one or more of extents like “tendency to act autonomously, desire for innovation and to take risks and tendency for aggressiveness towards competitors and proactivity according to market opportunities.” |
| Zahra and Neubaum (1998) | The entrepreneurship orientation is the total of risk-taking activities arising with a firm’s radical innovation, its proactive strategical action and support for the projects with uncertain results. |
| Voss, Voss, and Moorman (2005) | The entrepreneurship orientation could be described as a tendency in a level of firm that shows behaviors (risk-taking, innovativeness, proactivity, autonomy and competitive aggressiveness) which evoke changes in the organization or the market. |
| Avlonitis and Salavou (2007) | The entrepreneurship orientation could be described as an organizational phenomenon that reflects management skills with which firms make proactive and aggressive attempts to direct the competitive environment into their own advantage. |
| Cools and Van den Broeck (2007/2008) | The entrepreneurship orientation refers to the strategy of senior management about innovativeness, proactivity and risk-taking. |
| Pearce, Fritz, and Davis (2010) | The entrepreneurship orientation could be described as different but related behaviors group which has the characteristic of innovativeness, proactivity, competitive aggressiveness, risk-taking and autonomy. |

Miller has conceptualized and studied the entrepreneurship orientation in three sub dimensions as innovativeness, risk-taking and proactivity. Later, Lumpkin and Dess (1996), came up with the idea that two additional dimensions are marked in the entrepreneurship orientation. With studies made, they have included competitive aggressiveness and autonomy as additional components of the entrepreneurship orientation. Thus, with description Lumpkin and Dess executed, the entrepreneurship orientation has begun to be examined in five sub dimensions.

Innovativeness could be described as the tendency to the processes of creativity and experience by means of bringing technological leadership along in new products and services developed with R&D. **Risk-taking** could be verbalized as taking courageous steps through source usage in attempts in certain or uncertain environments. These kind of firms have the potential to get into high debts to seize the opportunities even in mediums where environmental uncertainties are high, could follow the way to create competitive advantages by taking risks. **Proactivity** is a forward looking perspective that is characterized with offering new products and services in order to stay one step ahead of competition and that acts with future demand expectation, searching for opportunities. Proactivity as being a forward looking act, forms one of the most important paces of the entrepreneurship orientation. **Competitive aggressiveness** could be identified as the firms' level of desire for creating competitive advantages. Firms with competitive aggressiveness have high tendencies to treat aggressively towards their competitors in order to take the lead in competition and gain profit. **Autonomy** means that an enterprising leader or team who is going to put a new idea or attempt into practice, realizes their activities independently.

2.2. Learning Capability:

The concept of learning is evaluated as one of the most valuable ways to obtain sustainable competition advantage (Alegre & Chiva, 2008). For this reason, it is interesting for both researchers and managers.

Learning enables the firm to make sense of the operation that its labor force is busy with, to redesign the running processes, to obtain innovative thinking to its labor force and thus to increase its future performance (Hong, 1999). Organizational learning embodies the norms, systems and past information transmitted to the individuals just joined to the firm (Fiol & Lyles, 1985). Organizational learning capability, however, gives shape to learning process in organizational level. With this skill, a firm can process the know-how and experience. It has gained, improve and store to use it when needed. In other words, it is a firm's capability in policy, structure and other implementations that enable it to learn and use the know-how it has gained (Ussahawanitchakit, 2008). In that case, organizational learning capability could be described as the qualifications of a firm and management that offers the firm chances for learning and simplifies the learning processes (Alegre & Chiva, 2008).

Learning capability facilitates transmitting the needed information for innovativeness and to find very quick solutions for problems (Goh & Ryan, 2002). In order to have the learning capability, it is highly important to adopt administrative loyalty, catholicity and system modality. Moreover, to share the vision on firm level and provide know-how transfer and integration is also required (Jiménez, Cegarra-Navarro, Gattermann, Sampaio, & Lengler, 2014). When the fact that firms need propellant power of information to

score over their competitors in such environments is considered (Simonin, 1997). It can be said that they can get an edge over sustainable competition by means of improving their learning capabilities.

2.3. The Entrepreneurship Orientation and Learning Capability:

There are limited number of studies in literature that examine the entrepreneurship orientation and learning capability together.

Learning capability can be described as a firm's having the capacity to process an information or its capacity to create, process, transfer and integrate it (Jerez-Gomez, Céspedes-Lorente & Valle-Cabrera, 2005). The entrepreneurship orientation, however, is examined in five sub dimensions as innovativeness, risk-taking, proactivity, competitive aggressiveness and autonomy (Real, Roldán, & Leal, 2014). As known, the entrepreneurship orientation is related with a firm's breaking into a new market or developing new products. A firm, in order to do these, claims for new information to be created. Shortly, the entrepreneurship orientation is a strategical orientation regarding which steps are to be taken to realize the new initiatives and during this process information is needed. From this point of view, it can be concluded that the entrepreneurship orientation provides chance for the improvement of the learning capability (Baker & Sinkula, 2009). Searching for valuable and rare information, understanding and internalization is an important capability to seize the enterprising opportunities. As known, it is related with learning capability for firms to have, process and use the information (Ireland, Hitt & Sirmon, 2003). Therefore, it has been considered that the entrepreneurship orientation has important effect over the learning capability.

Studies have come to a conclusion that there is a positive interaction between organizational learning and innovation types that are classified as product, process, strategy and market innovation (Er-ming & Han, 2008; Rhee, Park, & Lee, 2010; Liao & Wu, 2010). Similarly, Wheelwright and Clark (1992) have put forward that the learning capability plays a deterministic role in new product developing projects. Learning capability enables being adapted to variable environmental factors like uncertainty in new customer's product demand and rise and fall in technological developments or competition (Alegre & Chiva, 2008). On the other hand, it has been stated that firms with proactivity and innovative qualifications can seize the opportunities more quickly than the others and can improve their know-how capabilities. The fact that firm with high entrepreneurship orientation levels care about organizational learning capability has been supported with researches (Zhao, Li, Lee, & Bo Chen, 2011). In this context, there is positive relationship between the entrepreneurship orientation and learning capability (Liu, Luo & Shi, 2002). In the light of above, H1 hypothesis has been created.

H1. Entrepreneurship orientation has a positive relation on the learning capability.

2.4. Learning Capability and Market Performance:

The belief that learning capability has positive and important effect on market performance is remarkable in present literature.

Learning capability teaches the firms to create new ideas, improve present skills and by this way how to process an increasing performance (Prieto & Revilla, 2006). A firm with high learning capability focuses on processing and using the right information instead of collecting and stocking common

information. Firm that covers this ability process and use the information that it has exchanged from all other partners in order to increase its own capability (Sinkula, Barker, & Noordewier, 1997).

Learning capability is considered as the main means for firms in sustainable competitive environment to increase their performance in the market (Slater & Narver, 1995). Namely; when a firm gains the learning capability, it can foresee the changes in its environment and market beforehand with a proactive approach and make arrangements accordingly. Such firms are in a state to even question their rigid corporate systems and management philosophies (Mone, McKinley, & Barket, 1998).

As known, firms that can keep up with environmental changes, have the potential to carry their performance to top levels by effectively and efficiently using the sources processed (Prieto & Revilla, 2006). In this context, it is quite clear that firms will get to manage the market they are in and/or to be in more effectively which could be considered to effect market performance in a positive direction. Studies have shown that learning capability has a direct positive effect over firm performance (Ellinger, Ellinger, Yang, & Howton 2002; Bontis, Crossan & Hulland, 2002; Tippins & Sohi, 2003; Darroch & McNaughton, 2003). As it is seen, these researches are of the kind to support the theory (Jiménez-Jiménez & Sanz-Valle, 2011). Therefore, a firm that takes, process and use the necessary information can reach its goals more quickly than its competitors and thus score over in sustainable competition by increasing its market performance (Thompson, 1995; Ting, 2012). From this point of view, H2 hypothesis has been created.

H2. Learning capability has positive, significant relation on the market performance.

2.5. Entrepreneurship Orientation and Market Performance:

These days, it is difficult for firms to survive with environmental, socio-cultural, technological, economic and political pressure and variables that they are exposed to. Therefore, financial and market performance has become more of an issue to take precautions against these external stimuli or to correspond with them and thus to survive. Especially the issue of measuring the market performance attracts attention of both academicians and managers increasingly day by day because of this reason.

One of most important qualifications of firms to increase their competition power and performance by acquiring a different character from their competitors is being entrepreneurship-oriented. Considering the studies performed, it is thought that each entrepreneurship orientation dimension may have positive effects over performance. For innovative firms, creating and introducing new products and technologies may build extraordinary economic performance and also could be seen as power engines for economic growth (Schumpeter, 1934; Brown & Eisenhardt, 1998).

Firm's being proactive as entrepreneurship-oriented could create first grade performer advantage, could aim for upper class market segments and make it acquire market from its competitors. It could control the market, dominating it. Besides this, there is slightly more indefinable effect between risk-taking and performance. It has been revealed that the strategies previously performed and proved may lead to higher performance, besides this strategies to be performed by taking risks, that is going to multiply the performance may draw profit in the long run (March, 1991; McGrath, 2001; Wiklund & Shepher, 2005).

Tendency of these days is the shrink in lifecycle of product and business model (Hamel, 2000). After all, stream of profit from the existing operation is uncertain and firms have to continuously search for new

opportunities. Many studies hereupon has also supported the effect of entrepreneurship orientation over performance (Wiklund, 1999; Zahra, 1991; Zahra & Covin, 1995). Based on the browsing of this research and literature, H3 hypothesis has been created.

H3. The entrepreneurship orientation has positive and significant relation on market performance.

Considering all these studies made, it is considered that the learning capability will have a mediator role in relation between the entrepreneurship orientation and market performance. In this respect, H4 hypothesis has been created.

H4. The learning capability has a mediating role in relation between the entrepreneurship orientation and market performance.

In a study examining the relationship between entrepreneurship orientation, learning ability and firm performance, it was emphasized that firm age and magnitude are important in studying learning ability (Wang, 2008). The impact on entrepreneurship orientation and performance has been researched and supported in many studies. For this reason, the age and size of the firm will be examined as a control variable.

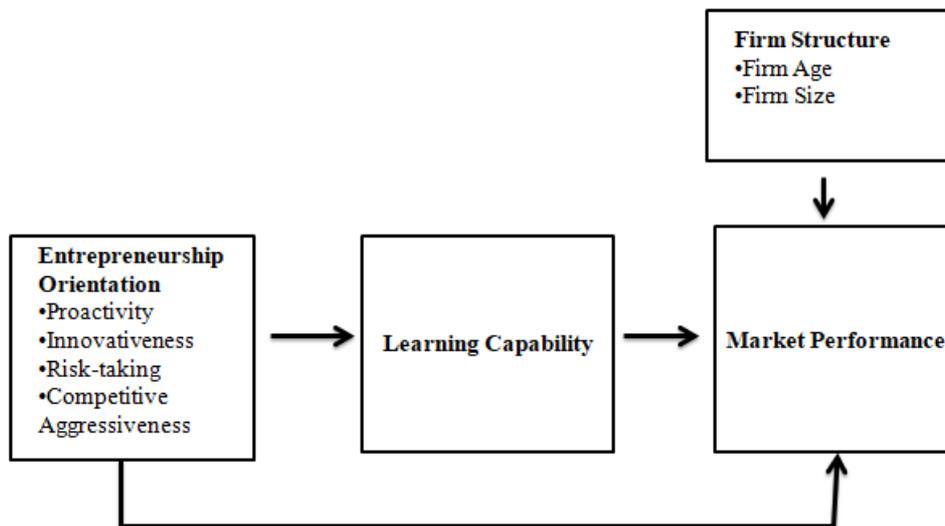


Figure 01. Research Model

3. Research Method

3.1. Purpose of the Research:

The aim of the research is to reveal the mediating role of organizational learning ability in relation to entrepreneurship orientation and market performance.

3.2. Sampling and Data Collection:

Entirety of the research is medium and large scaled firms active in manufacturing sector in Turkey. Therefore, 215 people working in 45 firms of private sector were surveyed and thus data have been collected.

In first part of the survey, demographic information's were questioned to define characteristics of firms and people filling the form. In second part, there is learning capability, market leading strategies and finally firm performance scale which is the dependent variable. In survey, apart from demographic information's, 5 – Likert scale was used.

In this study, learning capability scale developed by Acar and Zehir to value the learning capability and consisting of 9 expressions, previously tested for validity and security has been used ($\alpha = 0,887$). Entrepreneurship orientation scale consists of four dimension as proactive tendency, risk-taking tendency, competitive aggressiveness tendency and innovativeness tendency. For the competitive aggressiveness, four - clause scale adapted from Venkatraman (1989) has been used, and for innovativeness tendency 5-clause scale adapted from Li, Liu and Zhao (2006) has been used. Proactive tendency and risk-taking tendency were valued with scale of totally 12 questions (5 for proactive tendency, 7 for risk tendency) adapted from Covin & Slevin (1988). In firm performance scale which is a subjective scale evaluating to what extent employees see their firms as successful in a variety of performance criteria, employees were requested to evaluate their firms in terms of financial success of the products, annual average increase in sales, increase in new products presented to mark, increase in market share compared with competitors, increase in new clients and general situation in competitive environment in the market. These performance assessments are similar to the variables that were also used in previous studies in literature review (Vickery, 1993; Yamin, Gunasekaran, & Mavondo, 1999; King & Zeithaml, 2001; Rosenzweig, Roth, & Dean Jr, 2003).

3.3. Analyses:

Answers were collected from %63,4 male and %36,6 female contributors. Ages are between 22 and 64. %19,1 is senior manager, %34,4 is mid-level managers, %43,8 is sub level managers and white-collar workers. Besides, %72,1 of contributors are working in firms with 180 or greater number of employees. %68,4 of firms that were surveyed is globally active, %27,9 of it is national and %3,7 is operating regionally. Additionally, %67,4 of firms have been active for more than 20 years.

4. Findings

4.1. Reliability Analysis:

As seen on Table 2. Cronbach's Alpha values of all factors is higher than 0,70. In literature review, Cronbach's Alpha coefficient being 0,70 is accepted as adequate for internal consistency (Baum & Wally, 2003).

Table 02. Reliability Analysis Data

| Variables | Number of questions | Cronbach Alpha (α) Values |
|-------------------------------------|---------------------|------------------------------------|
| Learning Capability | 9 | ,831 |
| Entrepreneurship Orientation | 13 | |
| <i>Proactivity</i> | 2 | ,706 |
| <i>Competitive Aggressiveness</i> | 3 | ,779 |
| <i>Innovativeness</i> | 4 | ,740 |
| <i>Risk Taking</i> | 4 | ,741 |
| Market Performance | 4 | ,857 |

4.2. Factor Analysis:

Factor analysis has been performed by using SPSS program. As a result of the analysis, 1 question from “learning capability” scale, 3 questions from proactivity dimension of entrepreneurship orientation scale, 1 question from competitive aggressiveness, 1 question from innovativeness, totally 6 questions have been eliminated and 25 questions have been distributed to 6 dimensions. Factor loads obtained in conclusion of analysis are available on Table 3.

Table 03. Factor Analysis Data

| Variables | 1 | 2 | 3 | 4 | 5 | 6 |
|-----------|------|------|------|------|------|------|
| LC1 | | ,693 | | | | |
| LC2 | | ,770 | | | | |
| LC3 | | ,687 | | | | |
| LC4 | | ,618 | | | | |
| LC5 | | ,752 | | | | |
| LC6 | | ,696 | | | | |
| EOP1 | | | | | | ,704 |
| EOP2 | | | | | | ,709 |
| EOCA1 | | | | ,817 | | |
| EOCA2 | | | | ,794 | | |
| EOCA3 | | | | ,745 | | |
| EOI1 | | | | | ,666 | |
| EOI2 | | | | | ,688 | |
| EOI3 | | | | | ,720 | |
| EOI4 | | | | | ,520 | |
| EOR1 | | | ,617 | | | |
| EOR2 | | | ,720 | | | |
| EOR3 | | | ,768 | | | |
| EOR4 | | | ,593 | | | |
| MP1 | ,718 | | | | | |
| MP2 | ,766 | | | | | |
| MP3 | ,740 | | | | | |
| MP4 | ,908 | | | | | |
| MP5 | ,813 | | | | | |
| MP6 | ,798 | | | | | |

Kaiser-Meyer-Olkin Measure of Sampling Adequacy=,861 sig.=000

4.3. The Correlation Coefficients:

Pearson correlation coefficients, standard deviation and mean values are shown in Table 4. There is a significant correlation between all variables ($p < 0.001$). When values analysed, a significant relation was found between firm age and market performance of firm ($\beta = 0,777$) $p < 0.001$.

Table 04. Correlation Analysis Data

| | Mean | SD Dev. | 1 | 2 | 3 | 4 | 5 | 6 |
|----------------------------|-------|---------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Learning Capability | 3,943 | 0,561 | ($\alpha=0,831$) | | | | | |
| Proactivity | 3,895 | 0,680 | ,852** | ($\alpha=0,706$) | | | | |
| Competitive Aggressiveness | 3,250 | 0,917 | ,232** | ,182** | ($\alpha=0,779$) | | | |
| Innovativeness | 3,896 | 0,646 | ,478** | ,389** | ,268** | ($\alpha=0,740$) | | |
| Risk Taking | 3,398 | 0,799 | ,306** | ,218** | ,456** | ,428** | ($\alpha=0,741$) | |
| Market Performance | 3,490 | 0,829 | ,353** | ,302** | ,243** | ,436** | ,402** | ($\alpha=0,857$) |
| Number of Employee | 2,34 | 1,361 | | | | | | |
| Firm Age | 3,23 | 1,449 | | | | | | ,178** |

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

It is also seen that the firms which is participate to the research have 251-500 employees (mean= 2,34) and have been operating for 21-30 years (mean= 3,23). The ranges of value used for number of employee and firm age, presented in Table 5.

Table 05. The Ranges of Values for Number of Employee and Firm Age

| Number of Employee | | Firm age | |
|--------------------|---------------|----------|----------------|
| Code | Range | Code | Range |
| 1 | 1-250 | 1 | 1-10 |
| 2 | 251-500 | 2 | 11-20 |
| 3 | 501-1500 | 3 | 21-30 |
| 4 | 1501 and over | 4 | 31-40 |
| | | 5 | 41-50 and over |

4.4. Regression Analysis:

Regression analysis have been performed to verify the relation between variables and define their courses and effect of independent variables have been individually and all together investigated.

H1. Entrepreneurship orientation has a significant positive relationship with learning ability.

Effect of the entrepreneurship orientation over the learning capability, accepting the former as independent variable and later as dependent variable, has been investigated. In analysis of which data are to be found on Table 6., It has been found that there is a relationship in $p < 0,001$ significant level between the entrepreneurship orientation and learning capability, however when the relation between sub dimension of the entrepreneurship orientation and learning capability is analysed, it has been concluded that while there is a significant relation between proactivity ($\beta = 0,777$), innovativeness ($\beta = 0,148$) $p < 0,001$ and learning capability, for the fact that these dimensions overshadow competitive aggressiveness and risk

taking dimensions, no significant relation is found with the learning capability hereupon. Under these circumstances, when the model is observed, it has been displayed that independent variables clarify %75,3 of variations ($R^2=0,753$) to dependent variables and H1 hypothesis has been supported.

Table 06. Regression Analysis Data Relating to Learning Capability and Entrepreneurial Orientation

| Model Independent Variables | | Standardized Coefficients | T | Sig. |
|--------------------------------|----------------------------|---------------------------|--------|------|
| | | Beta | | |
| 1 | (Constant) | | 5,955 | ,000 |
| | Proactivity | ,777 | 23,245 | ,000 |
| | Competitive Aggressiveness | ,032 | ,919 | ,359 |
| | Innovativeness | ,148 | 4,102 | ,000 |
| | Risk Taking | ,054 | 1,445 | ,150 |

a. Dependent Variable: Learning Capability, Adjusted R Square=0,753, F=201,911, Sig.=0,000

H2. Learning capability has positive, significant relationship with market performance.

Learning capability as independent variable and firm's market performance as dependent variable has been investigated. According to data obtained on Table 7., there is positive and significant relation between learning capability and market performance in a level of ($\beta=0,353$) $p<0,001$. This relation explains the variation ($R^2=0,121$) on independent variable with %12,1 ratio in model. In this situation, H3 hypothesis has been supported.

Table 07. Regression Analysis Data Relating to Market Performance and Learning Capability

| Model Independent Variables | | Standardized Coefficients | T | Sig. |
|--------------------------------|---------------------|---------------------------|-------|------|
| | | Beta | | |
| 1 | (Constant) | | 7,267 | ,000 |
| | Learning Capability | ,353 | 6,099 | ,000 |

a. Dependent Variable: Market Performance, Adjusted R Square=0,121, F=37,193, Sig.=0,000

H3. Entrepreneurship orientation has a positive relationship with market performance.

Effect of entrepreneurship orientation and its sub-dimensions (taken as independent variables) and effect of firm (accepted as dependent variable) on market performance has been investigated. According to the analysis results obtained on Table 8.; there is a positive relationship between the entrepreneurship orientation and firm's market performance in a significant level of $p<0,001$. When the sub-dimensions of the entrepreneurship orientation are examined however, there is a significant relation between innovativeness ($\beta= 0,276$) $p<0,001$, risk tendency ($\beta= 0,273$) $p<0,001$, proactivity ($\beta= 0,152$) $p<0,01$ and firm's market performance, but no significant relation between competitive aggressiveness and firm's market performance has been observed. The result that the independent variable in model clarify %28,9 of variation to the dependent variable has been displayed and in view of these data H2 hypothesis has been supported.

Table 08. Regression Analysis Data Relating to Market Performance and Entrepreneurial Orientation

| Model | Independent Variables | Standardized Coefficients | T | Sig. |
|-------|----------------------------|---------------------------|-------|------|
| | | Beta | | |
| 1 | (Constant) | | 4,717 | ,000 |
| | Proactivity | ,152 | 2,645 | ,009 |
| | Competitive Aggressiveness | ,026 | ,438 | ,662 |
| | Innovativeness | ,276 | 4,459 | ,000 |
| | Risk Taking | ,273 | 4,264 | ,000 |

a. Dependent Variable: Market Performance, Adjusted R Square=0,289, F=26,879, Sig.=0,000

H4. The learning capability has a mediating role in relation between the entrepreneurship orientation and market performance.

In order to test the mediating role of learning capability in the effect of entrepreneurship orientation over firm's market performance, three tier method recommended by Baron & Kenny (1986) has been used. In evaluation according to Baron and Kenny, independent variable should have an effect over dependent variable and mediating variable. When the learning capability accepted as mediating variable is included in regression analysis together with independent variable, while the regression ratio of independent variable over dependent variable decreases, significant effect of mediating variable over independent variable and firm's market performance should continue. Results of regression analysis performed in this way have been provided on Table 9. in detail. In other studies, in which interaction between the concepts of entrepreneurship orientation which is independent variable and learning capability which is mediating variable has been ranked, powerful and definite evidences regarding the relation between these two concepts have been observed (Er-ming & Han, 2008; Rhee et al., 2010; Liao & Wu, 2010; Wheelwright & Clark, 1992; Alegre & Chiva, 2008; Zhao, Li, Lee & Bo Chen, 2011).

In analysis performed to test the mediating force of organizational learning capability within the effect of entrepreneurship orientation over firm's market performance, firm's market performance has been taken as the dependent variable, entrepreneurship orientation which is the independent variable and its sub-dimensions have been analysed together with learning capability which is the mediating variable. Learning capability which is the mediating variable, has decreased the beta value in proactivity level within entrepreneurship orientation dimensions to ($\beta=-0,020$), in competitive aggressiveness to ($\beta=0,010$), in innovativeness to ($\beta=-0,247$). In risk tendency dimension, beta value has stayed the same as ($\beta=0,273$) and significance level has kept $p=0,000$. With these data, it could be concluded that there is partial mediating force of learning capability within the effect of entrepreneurship orientation over firm's market performance. This model ($R^2=0,297$) is being explained in the ratio of %29,7. H4 hypothesis has been approved and partial mediating role of learning capability has been displayed.

Table 09. Regression Analysis Data on the Relationship Between Market Performance and Entrepreneurial Focus and Learning Capability

| Model | Independent Variables | Standardized Coefficients | T | Sig. |
|-------|----------------------------|---------------------------|-------|------|
| | | Beta | | |
| 1 | (Constant) | | 3,880 | ,000 |
| | Proactivity | -,020 | -,201 | ,841 |
| | Competitive Aggressiveness | ,010 | ,170 | ,866 |
| | Innovativeness | ,247 | 3,889 | ,000 |
| | Risk Taking | ,273 | 4,264 | ,000 |
| | Learning Capability | ,209 | 1,965 | ,050 |

a. Dependent Variable: Market Performance, Adjusted R Square=0,297, F=22,476, Sig.=0,000

Table 10. Hypothesis Results

| HYPOTHESIS | | CONCLUSION |
|---|----|----------------------------|
| H1. Entrepreneurship orientation has a positive relation on the learning capability. | H1 | Supported |
| H2. Learning capability has a positive relation on the market performance. | H2 | Supported |
| H3. The entrepreneurship orientation has a positive relation on market performance. | H3 | Supported |
| H4. The learning capability has a mediating role in relation between the entrepreneurship orientation and market performance. | H4 | Partially Supported |

5. Conclusion and Discussions

Unlike entrepreneurship, entrepreneurship orientation which is leaning against a process could be an important key in terms of firm's having high market performance and consistently progressing in a positive direction that is being sustainable. This study contemplates that the organizational learning capability which is the other possible concept to have an effect on the interaction between these two concepts, should also be taken into consideration.

Purpose of the study, at the same time, is to define to what extent age and size of the firm have a contribution in the interaction between all concepts of entrepreneurship orientation, market performance, learning capability, or if this contribution really exists.

When the results obtained in the research are examined, there is a relationship between the entrepreneurship orientation and learning capability, however when the relation between sub dimension of the entrepreneurship orientation and learning capability is analysed, it has been concluded that while there is a significant relation between proactivity, innovativeness and learning capability no significant relation is found with the learning capability hereupon.

Another result revealed from the research is the existence of a meaningful relationship between learning capability and market performance, as supported by the literature.

Furthermore, there is a positive relationship between entrepreneurial orientation and the market performance. When it comes to the sub dimensions of entrepreneurship orientation, while a relationship with other dimensions has a positive effect, there is no significant relationship between competitive aggressiveness dimension and market performance.

Finally, it is observed that this effect is partial when the findings obtained by testing the mediating effect of organizational learning ability on the effect of the entrepreneurship orientation, which is the main aim of the study, on the market performance of the entrepreneurship orientation are analysed.

5.1. Suggestions For Future Researches

Even though there are researches on concepts of entrepreneurship orientation, its sub-dimensions and organizational learning capability, new researches could be performed considering time and fast-changing circumstances, perspectives with maybe higher sampling numbers and expanding to a larger area. By this means, depending on new and changing circumstances, more prosperous results and going deeper levels in statistics could be possible.

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