

INCOMAR 2023
The 9th International Conference on Marketing and Retailing**MODERATING EFFECT OF LOCUS OF CONTROL ON
SPIRITUAL INTELLIGENCE AND ENTREPRENEURSHIP
ORIENTATION**

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Abstract

Spiritual intelligence relates to one's ability to rely on the ultimate power to determine his or her success in worldly affairs including entrepreneurship orientation. The Previous researchers agreed that spiritual intelligence has three dimensions comprising rituals, forgiveness, and beliefs whereas entrepreneurship orientation is divided into three, constituting proactive, innovative, and risk-taking. Some researchers discovered that spiritual intelligence is directly related to entrepreneurship orientation, but the findings are inconsistent from one study to another. Therefore, the present study is meant to investigate the role of locus of control in affecting the relationship between spiritual intelligence and entrepreneurship orientation. Using 319 data collected from entrepreneurs, the results of moderated multiple regression analysis revealed that locus of control moderates the relationship between rituals and risk-taking and between forgiveness and risk-taking. The findings indicate that entrepreneurs' risk-taking can be enhanced by increasing the level of rituals and forgiveness of entrepreneurs. The relationship can be improved by having a low external locus of control. The implication of the study is discussed in the paper.

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Keywords: Entrepreneurship orientation, forgiveness, locus of control, rituals, risk-taking, spirituality

1. Introduction

Entrepreneurship orientation has been studied extensively by previous authors. Some factors were discovered to be the predictors of entrepreneurship orientation including emotional intelligence, practical intelligence, and spiritual intelligence. During normal times, emotional intelligence and practical intelligence are expected to be associated with entrepreneurship orientation (Evans, 2021). However, during hard times as in the case of COVID-19, spiritual intelligence is believed to be the most pertinent factor that helps entrepreneurs form the right business orientation because entrepreneurs were in the uncertain state of what's going to happen next (Thamrin et al., 2021).

Although there are quite a number of studies that have focused on the influence of spiritual intelligence on entrepreneurship success (Balog et al., 2014), limited studies have looked into how spiritual intelligence influences entrepreneurship orientation, especially during hard times. Those entrepreneurs who survive the COVID-19 pandemic are expected to have certain levels of entrepreneurship orientation (Zighan et al., 2022). Thus, the focus of the present study is on how the internal factors, which are related to spiritual intelligence and locus of control, influence the entrepreneurship orientation of small and medium business owners.

2. Literature Review

2.1. Entrepreneurship Orientation

Entrepreneurship is an approach that encourages entrepreneurs to take the responsibility of contributing to the growth and development of their communities. Entrepreneurship has an important role in the economic development of a country. One element that represents entrepreneurship quality is its orientation. Entrepreneurship orientation is based on Self-determination theory (SDT), which is an empirically derived theory of human motivation and personality in social contexts that differentiates motivation in terms of being autonomous and controlled (Deci & Ryan, 2012). Entrepreneurship orientation refers to the processes, practices, and decision-making activities that are related to creating a new venture (Lumpkin & Dess, 1996).

The orientation of entrepreneurship includes several dimensions which are needed for achievement. Entrepreneurship orientation should have the elements of proactive, risk-taking, and innovation across a range of social, cultural, and business domains. Proactive is defined as seeking new opportunities, which may or may not be related to the present line of operations (Venkatraman, 1989). To be successful, entrepreneurs must engage in a proactive approach by having forward thinking so that they will be able to identify business solutions earlier than their business rivals. Innovativeness, on the other hand, refers to the firm's tendency to support new ideas, experimentation, and creative processes earlier than competitors (Covin & Miles, 1999). It relates to the ability of entrepreneurs to come up with new ideas or novel business solutions within the constraints of available resources. Risk-taking is defined as the extent to which managers are willing to make large and risky resource commitments (Miller & Friesen, 1983).

Results show that the risk-taking and innovative dimensions of entrepreneurship orientation influence the company's performance (Erista et al., 2020). Entrepreneurial orientation is one of the new branches of entrepreneurship which encompasses all the decision-making processes, procedures, and activities of the organization or company (Doulani et al., 2020). In a study conducted by Doulani et al. (2020), it was found that entrepreneurial orientation is one of the significant concepts in the entrepreneurship of organizations. Individuals with an entrepreneurship orientation could discover and explore new market opportunities (Galvão et al., 2020). In addition, entrepreneurship orientation can be considered as an expression of entrepreneurial skills learned through appropriate entrepreneurship education (Galvão et al., 2020).

Creating successful entrepreneurship requires entrepreneurs to be innovative, proactive, and risk-takers (Hooi et al., 2016; Kantur, 2016). A study on hotels' entrepreneurial orientation focused on three dimensions, namely, proactive risk-taking, innovativeness, and competitive approach (Njoroge et al., 2020). In this study, it was found a significant correlation between proactive-risk taking and innovativeness, innovativeness, and competitive approach, and between proactive-risk taking and competitive approach (Njoroge et al., 2020). Another important study by Kraus et al. (2017) established that the main dimensions of entrepreneurship orientation identified by the participants were innovativeness (16 mentions out of 18), risk-taking (16), and proactive (13), followed by competitive aggressiveness and autonomy (five each) (Kraus et al., 2017).

2.2. Spiritual Intelligence

Spiritual intelligence differs from the normal locus of control in that it encourages a person to look at the control over their life instead of avoiding it. When one considers the meaning of the word 'spiritual,' it has various connotations such as feelings, mind, awareness, and values (Paloutzian & Park, 2021). Therefore, an understanding of spiritual intelligence is crucial in understanding how this concept affects our lives. The basic idea behind spiritual intelligence is that all possess innate spiritual qualities that are available at all times. Capacity for spiritual awareness is not limited by age or mental condition. The capacity for spiritual awareness is eternal, unquantifiable, and can change from time to time (Javaid, 2021).

Spiritual intelligence is a measure of insight and understanding about one's spiritual beliefs and the sense of meaning and purpose in life. A lack of spiritual intelligence is detrimental to a person's well-being because it can lead to anxiety, fear, and depression (Stephan, 2018). However, the right balance of spiritual intelligence can lead to an increased sense of meaning and purpose while also improving physical health.

Spiritual Intelligence can be defined as the ability to behave with wisdom and compassion, while maintaining inner and outer peace (equanimity), regardless of the circumstances (Wigglesworth, 2006). There are three components of spiritual intelligence: rituals, beliefs, and forgiveness. Rituals relate to activities that need to be performed by individuals in specific time frames following predetermined steps and processes. Beliefs reflect the faith that we have pertaining to the outcome of our actions. Forgiveness concerns the ability to forgive the mistakes of others.

The entrepreneur community has been around for a long time, and a new generation of entrepreneurs is emerging. This new generation, many of whom have been in business for decades now, is passionate about the needs of companies, businesses, and individuals (Argade et al., 2021). A study of spirituality and beliefs among entrepreneurs revealed that while most spiritual leaders are believers in a higher power, many entrepreneurs are atheists (Ayob & Wan Hussain, 2019). Moreover, the strong presence of humanism, materialism, and skepticism among entrepreneurs indicates that they have a different understanding of spirituality than spiritual leaders (Luu, 2022).

In the last few decades, many studies have shown that spiritual intelligence, as well as one's beliefs, influences an individual's entrepreneurship more than IQ or personality (Radiman et al., 2021). Given this data, it is imperative for entrepreneurs to cultivate their spiritual intelligence and understand different beliefs to increase their capacity to be successful.

2.3. Locus of Control

The concept of control has a deep impact on human psychology. It can mean a lot of things to different people, depending on their cultural backgrounds and beliefs (Pidduck et al., 2023). Some people think that they can control events in their life, whereas others think that external forces have total control over them. Either way, having a strong sense of control is essential to individuals' well-being. A person with a positive outlook on life believes that he can control his future. He knows that he makes decisions and assumes responsibility for his actions. This mindset is empowering as it teaches people to be self-regulating (Davis, 2022). This makes people more likely to succeed in life since they will have the necessary skills to overcome obstacles along the way.

People with a strong internal locus of control tend to have stronger personalities and are more likely to succeed in life (Brahmana et al., 2021). A person's sense of self is determined by his sense of internal and external locus of control (Ismatulloev & Nazarov, 2022). Locus of control has an effect on the way a person views his future and his ability to overcome obstacles in his life (Agustina et al., 2020). A positive mindset is the key to success when it comes to internal locus of control. An entrepreneur is someone who proactively influences his future by controlling his attitude and actions (Al-Mamary & Alshallaqi, 2022). Whereas those with a high external locus of control are unable to be proactive and innovative since they believe that there are uncontrollable factors that determine their success.

3. Research Methodology

The present study was conducted using a quantitative research design since its purpose is to confirm the hypothesis developed for this study. The population of the study involved entrepreneurs owning small and medium enterprises and the sampling technique used was convenience sampling. This technique was chosen because the population of the entrepreneurs is unknown and there is no specific sampling frame for this group. Regarding the research instrument, three types of variables were involved in the study, and for each type of variable, different sources were looked into to get the right instrument. Various research instruments were referred to in developing the right instrument for the present study

including Mohsen (2007) for Islamic Spiritual Intelligence, Miller and Friesen (1983) for entrepreneurship orientation, and Rotter (1966) for locus of control.

Regarding the data collection procedure, the questionnaire was distributed online using the SurveyMonkey platform. The link was created and shared with various WhatsApp groups that are believed to have entrepreneurs in the groups. The data collection process took approximately two months to be completed. A total of 319 responses were collected and this number is sufficient for the analysis. The data collected were analysed using descriptive and inferential statistics to answer the research questions.

4. Data Analysis and Findings

Data were analysed using SPSS version 23. The analyses involved are descriptive analysis, factor analysis, correlation analysis, and multiple regression analysis.

Table 1. Demographic Profile

Variables	Description	Frequency	Percentage
Gender	Male	151	47.3
	Female	168	52.7
Age	18-20 years old	4	1.3
	21-30 years old	57	17.9
	31-40 years old	151	47.3
	41-50 years old	89	27.9
	More than 50 years old	18	5.6
Education Level	SPM	49	15.4
	Diploma/STPM	72	22.6
	Bachelor's Degree	170	53.3
	Master	28	8.8
Length of Business	Less than 1 year	57	17.9
	1-5 years	104	32.6
	6-10 years	109	34.2
	More than 10 years	49	15.4
No of Employees	Micro 1-4	192	60.2
	Small 5-29	90	28.2
	Medium 30-200	37	11.6
Location of Business	Kuala Lumpur	73	22.9
	Selangor	123	38.6
	Johor	60	18.8
	Perak	42	13.2
	Pulau Pinang	21	6.6

Table 1 shows the results of a descriptive analysis. From 319 data collected from entrepreneurs, 168 were female while 151 were male respondents. Most of them or 151 respondents aged between 31 and 40 years old, followed by those aged between 41 and 50 years old, which is equivalent to 89 people. A total of 170 respondents had a bachelor's degree, which is equivalent to 53.3%. Most respondents or 109 individuals had been in business between 6 and 10 years, followed by those in business between 1

and 5 years amounting to 104 respondents. A sum of 192 respondents were categorized as micro business owners. Those who owned small businesses were represented by 90 respondents. Most of them were operating in Selangor.

Table 2. Results of Factor Analysis of Items Measuring Entrepreneurship Orientation

	Component		
	1	2	3
PRO2-I tend to plan on projects	.839		
PRO1-I usually act in anticipation of future problems, needs or changes	.709		
PRO3-I prefer to “step up” and get things going on projects rather than sit and wait for someone else to do it	.695		
RT3-I tend to act “boldly” in situations where risk is involved		.871	
RT2-I am willing to invest a lot of time and/or money on something that might yield a high return		.827	
RT1-I like to take bold action by venturing into the unknown		.640	
INO4-I favour experimentation and original approaches to problem-solving rather than using methods others generally use for solving their problems			.780
INO3-I prefer to try my own unique way when learning new things rather than doing it as everyone else does			.732
INO2-In general, I prefer a strong emphasis in projects on unique, one-of-a-kind approaches rather than revisiting tried and true approaches used before			.725
% variance explained (66.88)	22.73	22.59	21.57
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.			.835
Bartlett's Test of Sphericity	Approx. Chi-Square		918.493
	df		36
	Sig.		.000
MSA			.752-.863

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.^a

Table 2 shows the results of a factor analysis for entrepreneurship orientation. To determine the dimensionality of items measuring the dependent variable that consists of three dimensions; proactive, risk-taking, and innovativeness, a principal component factor analysis with varimax rotation was performed. The KMO value of .835 indicates that the data are sufficient for factor analysis. Bartlett's test of sphericity is significant indicating the adequacy of the correlation matrix in the model. The MSA values ranging from .752 to .863 are sufficient for each item. From the total number of items, nine items were loaded under three components with three items for each component. The first component represents proactive with loadings ranging from .695 to .839, explaining 22.7% of the variance. The second component explains 22.6%, representing risk-taking with loadings ranging from .640 to .871. The third component consists of three items with loadings in the range of .725 and .780, explaining 21.6% of the variance. The three components resemble the original model of spiritual intelligence.

Table 3. Results of Factor Analysis of Items Measuring Spiritual Intelligence

	Component		
	1	2	3
B4-I do my duties in the best way I could and leave the outcomes to be determined by Allah	.796		
B1-I stay away from haram acts in my business to avoid Allah's divine wrath	.790		
B2-I direct my dedication to Allah alone	.754		
B3-I do my best to perform all five prayers regardless of how busy I am	.732		
B5-Whenever I pay my zakat, I make sure I calculate it correctly	.604		
R3-Whenever possible, I encourage my co-workers to visit the prayer rooms for prayers	.699		
R2-I practice optional fasting	.691		
R4-I inspire my co-workers to fast and breakfast collectively	.676		
R5-When I am confronted with competing alternatives in decision-making, I perform istikhara prayer	.630		
R1-I encourage my coworkers to pray together at work	.598		
F1-I apologize for my mistakes when I realize them at work			.859
F2-I ask forgiveness from my co-workers that I have wronged			.855
F3-I deal with co-workers with justice and generosity			.719
% variance explained (61.76)	24.51	18.91	18.34
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.			.860
Bartlett's Test of Sphericity	Approx. Chi-Square	1765.209	
	df	78	
	Sig.	.000	
MSA			.808-.929

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization^a

Table 3 shows the results of the factor analysis of items measuring spiritual intelligence. A principal component factor analysis was also performed to examine the dimensionality of the items measuring spiritual intelligence. The KMO value of .860 is sufficient for factor analysis to be performed. Bartlett's test of sphericity is significant, indicating sufficient correlation matrix for factor analysis. The MSA values ranging from .808 to .029 are adequate to measure each item. Originally, there were 14 items to measure the construct. However, one item was removed due to high cross-loadings. The remaining 13 items formed three components resembling the original dimensions of the construct, explaining 61.76% of the variance. The first component contains five items measuring beliefs with loadings ranging from .604 to .796. The second component has loadings ranging from .698 to .699 for the five items reflecting rituals. The third component measures forgiveness using the three items with loadings in the range of .719 and .859. The three-factor component of spiritual intelligence resembles the original conceptualization of the construct.

Table 4. Results of Factor Analysis of Items Measuring Locus of Control

		Component 1
LOC4-	My plans hardly ever work out, so planning makes me unhappy	.830
LOC5-	I do not have enough control over the direction my life is taking	.709
LOC3-	Every time I try to go ahead, something or somebody stops me	.666
LOC1-	In my life, good luck is more important than hard work for success	.628
LOC6-	Chance and luck are very important for what happens in my life	.504
% variance explained		45.66
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.746
Bartlett's Test of Sphericity	Approx. Chi-Square	265.373
	df	10
	Sig.	.000
MSA		.685-.817

Extraction Method: Principal Component Analysis.

Table 4 shows the results of factor analysis of items measuring locus of control. Locus of control as the moderating variable has five items measuring the external orientation of the construct. A principal factor analysis was performed, and the result shows a uni-dimensionality of the factor, explaining 45.66% of the variance. The factor loadings range from .504 to .830. The KMO value of .746 and Bartlett's test of sphericity is significant, showing that the correlation matrix is sufficient to perform the factor analysis. The MSA values are in the range of .685 and .817, showing the adequacy of the correlation matrix for each item.

Table 5. Results of Reliability and Correlation Analysis

No	Variables	Mean	SD	1	2	3	4	5	6	7
1	Rituals	3.87	.68	(.715)						
2	Forgiveness	4.25	.60	.416**	(.857)					
3	Beliefs	4.43	.58	.377**	.604**	(.836)				
4	Locus of Control	3.05	.84	-.017	-.144**	-.099*	(.689)			
5	Proactive	4.05	.60	.279**	.434**	.331**	-.090	(.731)		
6	Innovativeness	4.04	.67	.158**	.214**	.151**	.065	.519**	(.698)	
7	Risk Taking	3.88	.76	.192**	.335**	.219**	.034	.511**	.382**	(.780)

Notes: **. Correlation is significant at the 0.01 level (1-tailed). Correlation is significant at the 0.05 level (1-tailed).

N=319

Table 5 shows the results of reliability and correlation analysis. Reliability analysis is meant to determine the consistency of items measuring certain constructs. From Table 5, all items have Cronbach's alpha values ranging from .689 to .857, indicating that items used to measure each construct are consistently measuring the intended constructs. Correlation analysis, on the other hand, is meant to examine the relationship between two variables. The three independent variables have a negative relationship with the locus of control, indicating that those with high spirituality have a low external locus of control. Two of three factors (forgiveness and beliefs) are significantly related to the locus of control ($r=-.144$, $p<.01$; $r=-.099$, $p<.05$). Looking at the relationship between the independent variables and the dependent variables, all three independent variables (beliefs, rituals, and forgiveness) have a positive

significant relationship with proactive ($r=.279, p<.01$; $r=.434, p<.01$; $r=.331, p<.01$), innovativeness ($r=.158, p<.01$; $r=.214, p<.01$; $r=.151, p<.01$) and risk-taking ($r=.192, p<.01$; $r=.335, p<.01$; $r=.219, p<.01$), indicating that those with high spiritual intelligence are also having high entrepreneurship orientation. On the other hand, the locus of control is not significant with the three independent variables.

Table 6. Results of Multiple Regression Analysis

Independent Variables	Proactive			Innovativeness			Risk Taking		
	Standardized Beta Coefficients			Standardized Beta Coefficients			Standardized Beta Coefficients		
	Model 1	Model 2	Model 3	Model 1	Model 2	Model 3	Model 1	Model 2	Model 3
Rituals	.098	.100	-.095	.114	.111	.087	.072	.067	.459*
Forgiveness	.372*	.367*	.753*	.244*	.249*	.649	.317*	.328*	.734*
Beliefs	* .070	* .069	* -.009	* .007	* .008	* .283	* .023	* .025	* -.341
Moderator Locus of Control		-.033	.262		.040	.186		.085	.771
Interaction Terms Rituals* LOC			.367			.039			-.771 [†]
Forgiveness*LO C			-.840			-.880			-.900 [†]
Beliefs*LOC			.197			.693			.869
R	.468	.469	.477	.312	.315	.329	.367	.376	.412
R ²	.219	.220	.228	.098	.099	.108	.134	.141	.169
R ² change	.219	.001	.008	.098	.002	.009	.134	.007	.028
F change	28.655	.420	1.005	11.064	.521	1.063	15.886	2.501	3.409
Sig F change	.000	.517	.391	.000	.471	.365	.000	.115	.018
Durbin Watson			1.934			2.168			2.117

Notes: **. Significance at the 0.01 level (1-tailed). Significance at the 0.05 level (1-tailed).

Table 6 shows the results of the multiple regression analysis. Analysing the influence of spiritual intelligence factors on proactive, and the moderating effect of locus of control on the relationship, a moderated multiple regression analysis was performed. Model 1 tests the direct relationship between spiritual intelligence factors and proactive. The R² of .219 shows that 21.9% of the variance is explained by the three independent variables. The model is significant ($F(315,3; p<.01)=28.655$). The Durbin-Watson value of 1.934 indicates that there is no issue of autocorrelation in the model. Looking at the influence of spiritual intelligence on proactive, only forgiveness is significant ($\beta=.372; p<.01$). Rituals and beliefs are not significant ($\beta=.098, p>.05$; $\beta=.070, p>.05$).

Model 2 shows the results of multiple regression analysis when the moderator was included. The R² of .220 shows that 22% of the variance is explained by the three independent variables. However, the F change is not significant ($F(314,4; p>.05)=29.075$). Model 3 shows the results of multiple regression analysis when the interaction terms were included. The R² of .228 shows that 22.8% of the variance is explained by the three independent variables. However, the F change is not significant ($F(311,7;$

$p < .05$)=29.660). Therefore, it can be summed up that forgiveness is the only predictor of proactive, and locus of control does not moderate the relationship between the two factors.

Examining the role of spiritual intelligence factors in affecting innovativeness, and the moderating effect of locus of control on the relationship, moderated multiple regression analysis was performed. Model 1 tests the direct relationship between spiritual intelligence factors and innovativeness. The R^2 of .098 shows that 9.8% of the variance is explained by the three independent variables. The model is significant ($F(315,3; p < .01)=11.064$). The Durbin-Watson value of 2.168 indicates that there is no issue of autocorrelation in the model. Looking at the influence of spiritual intelligence on innovativeness, only forgiveness is significant ($\beta=.249; p < .01$). Rituals and beliefs are not significant ($\beta=.111, p > .05; \beta=.008, p > .05$).

Model 2 shows the results of multiple regression analysis when the moderator was included. The R^2 of .099 shows that 9.9% of the variance is explained by the three independent variables. However, the F change is not significant ($F(314,4; p > .05)=11.585$). Model 3 shows the results of multiple regression analysis when the interaction terms were included. The R^2 of .108 shows that 10.8% of the variance is explained by the three independent variables. However, the F change is not significant ($F(311,7; p < .05)=12.948$). Therefore, it can be summed up that forgiveness is the only predictor of innovativeness, and locus of control does not moderate the relationship between the two factors.

Assessing the influence of spiritual intelligence factors on risk-taking, and the moderating effect of locus of control on the relationship, moderated multiple regression analysis was performed. Model 1 tests the direct relationship between spiritual intelligence factors and risk-taking. The R^2 of .134 shows that 13.4% of the variance is explained by the three independent variables. The model is significant ($F(315,3; p < .01)=15.886$). The Durbin-Watson value of 2.117 indicates that there is no issue of autocorrelation in the model. Looking at the influence of spiritual intelligence on risk-taking, only forgiveness is significant ($\beta=.317; p < .01$). Rituals and beliefs are not significant ($\beta=.072, p > .05; \beta=.023, p > .05$).

Model 2 shows the results of multiple regression analysis when the moderator was included. The R^2 of .141 shows that 14.1% of the variance is explained by the three independent variables. However, the F change is not significant ($F(314,4; p > .05)=18.387$). Model 3 shows the results of multiple regression analysis when the interaction terms were included. The R^2 of .169 shows that 16.9% of the variance is explained by the three independent variables. The F change is significant ($F(311,7; p < .05)=21.796$). Looking at the interaction terms, two interaction terms are significant, rituals*locus of control and forgiveness*locus of control ($\beta=-.771, p < .1; \beta=-.900, p < .1$). Therefore, it can be summed up that locus of control moderates the relationship between rituals and risk-taking and between forgiveness and risk-taking.

5. Discussion

The present study discovers that forgiveness is a significant predictor of all three dimensions of entrepreneurship orientation, namely, proactive, informativeness, and risk-taking. Pertaining to the role of locus of control as a moderator, the variable is found to significantly moderate the relationship between rituals and risk-taking. Furthermore, it is also found that locus of control is significant in moderating the

relationship between forgiveness and risk-taking. In order to clarify the connection between the three constructs, the following graphs are created.

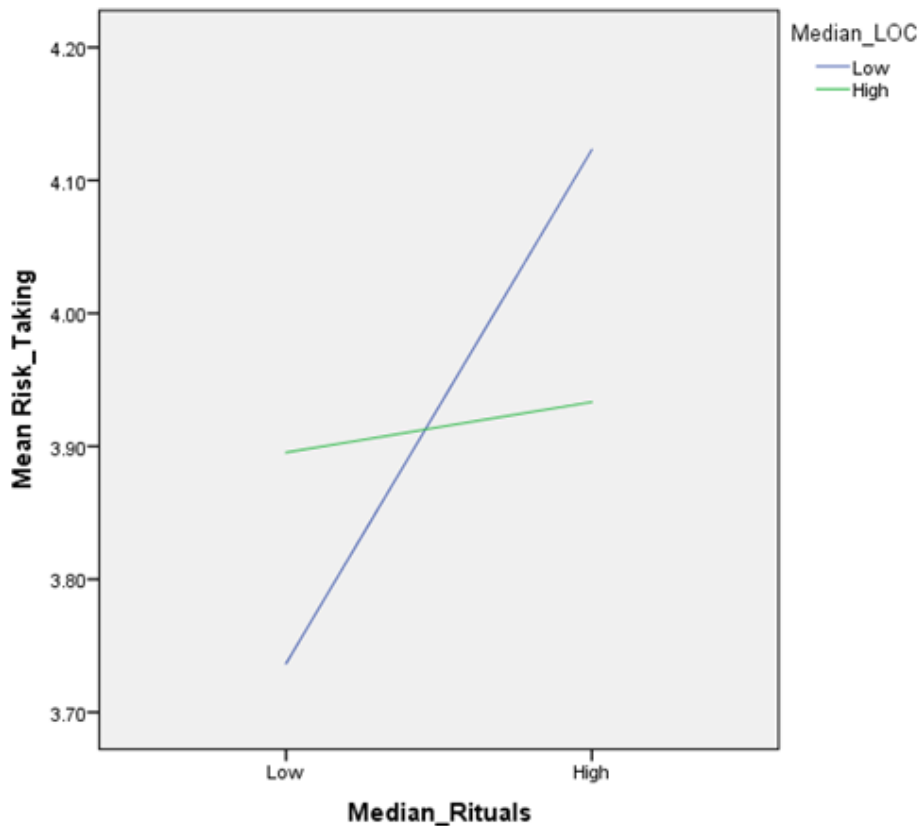


Figure 1. Interaction between locus of control and rituals and its effect on risk taking

Figure 1 presents the interaction between locus of control and rituals and its effect on risk-taking. Individuals with high rituals will have high scores on risk-taking. It is because individuals have unconditional submission to God as they believe that God will help them determine their destiny. However, those with a low external locus of control will have a greater inclination toward risk-taking behaviors. Unconditional submission to God and the belief in their own ability will help individuals to have higher risk-taking behaviors. When individuals believe that God is helping them and they have the ability to engage in high-risk tasks, they are also inclined towards taking high risks.

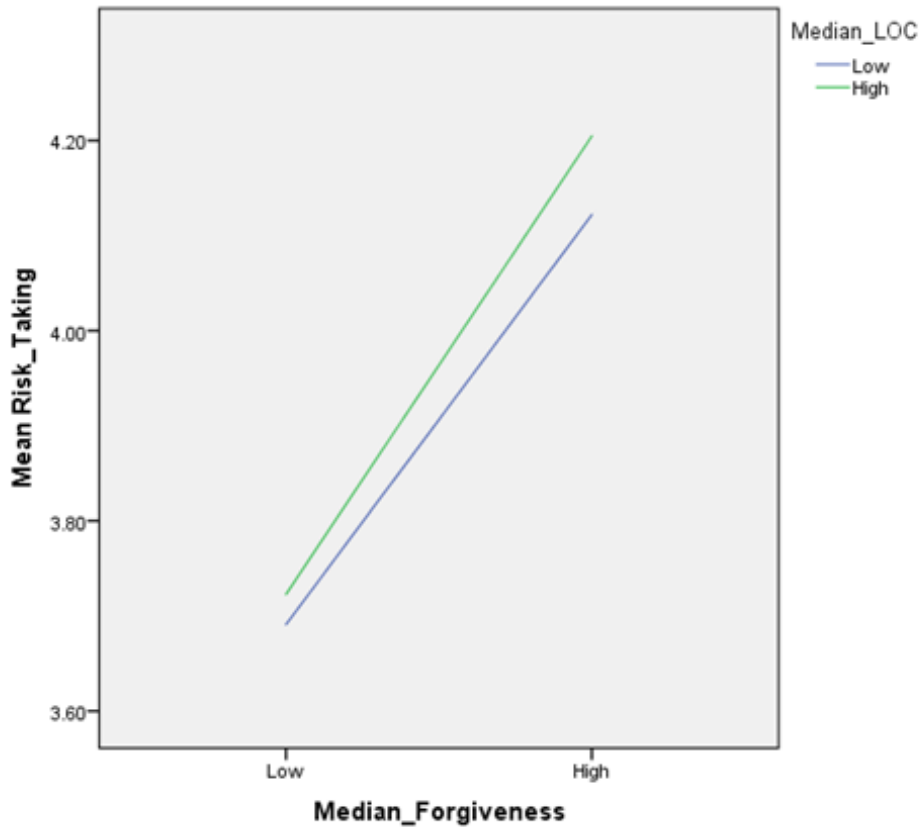


Figure 2. Interaction between locus of control and forgiveness and its effect of risk taking

Figure 2 presents the interaction between locus of control and forgiveness and its effect on risk-taking. Entrepreneurs with high forgiveness will have a high risk-taking tendency. Locus of control (high external locus on control) will provide some effect on the relationship between forgiveness and risk-taking. Those with a high external locus of control will have a higher level of forgiveness and a higher level of risk-taking. Entrepreneurs who are always asking forgiveness for their mistakes and have a high external locus of control will have higher risk-taking. It is because they are more open in their orientation towards something and think that anything that happens in their life has its own specific reasons.

6. Implication of the Study

6.1. Managerial Implications

The important findings from the present study are; first, forgiveness is required for entrepreneurs to be successful in their business venture. The study found that forgiveness influences all three dimensions of entrepreneurship orientation; proactive, innovativeness, and risk-taking. Second, a low external locus of control is required for entrepreneurs to be successful since those with a low external locus of control will engage in high-risk-taking activities through rituals (having high scores in rituals). Third, those with a high external locus of control and high score in forgiveness will engage in risk-taking activities.

Therefore, in order to make entrepreneurs engage in risk-taking activities, they must have a high internal locus of control and involve in religious rituals or ibadah. However, those who have a high element of forgiveness should have a high external locus of control in order for them to engage in risk-taking activities. Entrepreneurs are required to perform daily religious rituals so that they are confident in their own capability to make important business decisions. However, in certain situations, they need to rely on the ultimate power of God to assist them in overcoming business challenges.

6.2. Research Implications

The present study focuses on only one predictor of entrepreneurship orientation, which is Spiritual Intelligence. The explanation of variance in the regression model is around 20%, indicating that there are other variables that should be considered in the study such as emotional intelligence, practical intelligence, and other positive traits required by entrepreneurs. By having a complete list of potential predictors, the findings will be more comprehensive and meaningful. Therefore, future research should consider this suggestion seriously in order to establish a cohesive framework of entrepreneurship orientation.

Locus of control has been selected to be included in the present study's framework as a moderator. However, the findings indicate that this factor failed to moderate the relationship between all three Spiritual Intelligence dimensions and the three aspects of entrepreneurship orientation. Future research should consider other factors such as self-efficacy, personality, and other personal characteristics including education and generational status as these factors are believed to have a significant influence on entrepreneurs' business orientation.

7. Conclusion

Spiritual intelligence is regarded as a predictor of entrepreneurship orientation among SME owners. However, the connection between the two constructs is dependent on the entrepreneurs' locus of control. Using 319 data collected from entrepreneurs, the results show that locus of control moderates the relationship between rituals and risk-taking and between forgiveness and risk-taking. The findings indicate that entrepreneurs' risk-taking can be enhanced by increasing the level of rituals and forgiveness of entrepreneurs. The relationship can be improved by having a low external locus of control. When individuals believe that God is helping them and they could engage in high-risk tasks, they are inclined towards taking high risks. Entrepreneurs who are always asking for forgiveness for their mistakes and have a high external locus of control will have higher risk-taking because they are more open in their orientation towards something and think that anything that happens to their life has its own specific reasons. These findings contribute to enriching the body of knowledge regarding the importance of spiritual intelligence and locus of control in improving the risk-taking behaviors of entrepreneurs. Future research is required to further explore and confirm the findings of the existing study and establish the role of spiritual intelligence in helping entrepreneurs.

Acknowledgments

This research is funded through the Fundamental Research Grant Scheme (600-IRMI/FRGS 5/3 (261/2019)) awarded by the Higher Education Department, Ministry of Education, Malaysia. We would also like to thank Institute of Business Excellence, UiTM, and the Faculty of Business and Management, UiTM Puncak Alam for sponsoring the presentation and publication of this paper.

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