



# Entrepreneurial, market, learning and networking orientations as determinants of business capability and international performance: the contingent role of government support

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## Abstract

This study presents a business capability model that connects strategic orientations, business capability, government support, and international performance in emerging markets. More specifically, it focuses on the impact of entrepreneurial orientation, market orientation, learning orientation, and networking orientation as determinants of business capability and its effect on international performance. In addition, government support is tested as a moderator between business capability and international performance. The study draws on a quota sampling and analysis of 251 small and medium enterprises (SMEs) across all industries in Malaysia. The proposed research model and its associated hypotheses were tested by using Partial Least Squares (PLS) structural equation modelling (SEM). Findings suggest that multiple strategic orientations facilitate the development of business capability and that it contributes to the speed and scope of internationalisation as well as financial and strategic performance of SMEs. Moreover, government support programmes are found to significantly enhance the intensity of internationalisation. The main conclusions of this investigation can be valuable to SMEs that intend to explore or exploit opportunities in foreign markets.

**Keywords** Born global · Business capability · Strategic orientation · Emerging markets · Government support

## Introduction

Small and medium enterprise (SME) internationalisation studies cover two major breeds of SMEs, the traditional SMEs and born globals (Gerschewski et al. 2015; Paul and Rosado-Serrano 2019). Born globals are young entrepreneurial firms

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