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**THE MODERATING EFFECT OF FIRM SIZE ON THE RELATIONSHIP
BETWEEN ENTREPRENEURIAL ORIENTATION AND MARKET
ORIENTATION: EVIDENCES FROM SRI LANKA**

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The entrepreneurial orientation and marketing orientation can be viewed as two interrelated strategic responses those address the environmental uncertainty. These two are found to be highly related, yet carrying both a combined effect and a specific bearing on organizational performances. Nevertheless the size of the business appeared to be governing this relationship. Thus, the focus of this study is to test the moderating effect of the firm size on the association between entrepreneurial orientation and market orientation. A quantitative study was conducted with the participation of 128 conveniently selected business entities. The unit of analysis is a firm where the data was collected from the/a founder or a top management representative from each firm. The survey instrument was adopted from existing literature after ensuring the reliability of the scale. The results of Ttest and partial correlation analysis indicate a strong positive relationship between entrepreneurial orientation and market orientation provided that the firm size is high. The strength of the relationship appeared to be lessened for smaller firm sizes. The theoretical implication claims the necessity of accounting the firm size when assessing the relationship between entrepreneurial orientation and market orientation while practical implication suggests small firms to pay much attention to employ remedial strategies to strengthen the above relationship.

Keywords: entrepreneurial orientation, market orientation, firm size, Sri Lanka