



# The Role of Entrepreneurial Orientation and Leadership in Enhancing Firm Performance: Insights from Somali Telecommunication Firms

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## ABSTRACT

The primary aim of this study is to investigate the impact of entrepreneurial attitude on the performance of telecommunication firms in Somalia. This study aims to investigate the intermediary function of leadership style in the correlation between entrepreneurial orientation and business performance. Data was collected from 300 workers of three major telecommunication companies in Mogadishu using a cross-sectional survey design. The study employed SmartPLS software to examine and confirm the structural model. The study revealed that entrepreneurial orientation characteristics ( $\beta = 0.270$ ,  $t = 4.225$ ,  $P = 0.000$ ) and leadership style ( $\beta = 0.588$ ,  $t = 9.963$ ,  $P = 0.000$ ) significantly contribute to the improvement of small- and medium-scale firms in Somalia, with leadership style exerting the most significant influence. The study discovered that leadership style had a crucial role in mediating the association between entrepreneurial orientation and business performance. This mediation was shown to be statistically significant, with a beta coefficient of 0.402, a t-value of 8.715, and a P-value of 0.000. The conclusion section of the report further emphasizes the implications and limitations of the study, as well as providing insights into potential future research topics.

**Keywords:** Entrepreneurial Orientation, Firm Performance, Leadership Style

**JEL Classifications:** L26, L21, M12, M13, C83, O55

## 1. INTRODUCTION

In the dynamic and frequently changing environments of emerging nations, companies are consistently facing a multitude of obstacles, such as restricted resource availability, unpredictable market conditions, and regulatory ambiguities. These circumstances require creative and aggressive approaches, supported by strong leadership, to not just survive but also succeed. This study argues that combining entrepreneurial approach with leadership may significantly improve business performance in specific situations.

Entrepreneurial Orientation (EO) is a highly thought of concept in the field of entrepreneurship studies, and it helps in our understanding on how businesses particularly in dynamic

industries such as Somalia's telecommunications sector manage to achieve extraordinary performance (Ali, 2017; Ali and Ali, 2014).

The study classifies Entrepreneurial orientation, which is defined by its traits of innovativeness, proactiveness, and risk-taking, has been extensively studied as a crucial factor in driving organizational growth and success. These aspects allow companies to predict and respond to future market possibilities, promote a culture of innovation, and take measured risks that are crucial for gaining a competitive edge (Ehrlich et al., 1990). It wants to examine the complex nexus between these characteristics with business performance. Other studies have demonstrated a positive association among entrepreneurial orientation (EO) and business performance within a broad range. Unlike other research, this one only concerns about a single case of Telecom industry operating

in Somalia which has not been studied extensively before. This study is very vital due to the unique challenges and opportunities presented by rapidly changing economic conditions in Somalia following its civil war.

Leadership, especially in emerging economies, has a vital role in guiding firms through the intricacies of their surroundings. The impact of leadership styles, which can vary from transformative to transactional, can greatly affect the strategic direction, culture, and capacity to adapt to change within an organization. Leaders in these economies must navigate the simultaneous task of effectively managing limited resources while also fostering a sense of ambition and Innovation among their people (Avolio and Bass, 1995).

Exploring the combination of entrepreneurial attitude and leadership is a fascinating area of research that has not been thoroughly investigated (Engelen et al., 2015). This study contends that the integration in question has the potential to enhance the favorable effects on business performance, particularly in the setting of developing economies. The interdependent connection between a company's entrepreneurial actions and its leadership strategies can strengthen the organization's ability to adapt, respond quickly, and eventually, achieve better results (Bass et al., 2003). Although the idea of combining entrepreneurial approach with leadership is appealing, there is less research on how this combination might affect the success of companies in emerging nations. This gap highlights the necessity for empirical research to examine the ways in which entrepreneurial orientation and leadership work together to promote company performance in these distinct settings.

This research seeks to examine the effects of combining an entrepreneurial orientation mindset and leadership on the performance of companies in a developing country. This study aims to enhance the existing literature by investigating the relationship between entrepreneurial orientation, leadership, and business performance using a combination of quantitative analysis and qualitative case studies. The results are anticipated to provide significant knowledge for both academics and professionals on how to utilize the combined benefits of entrepreneurship and leadership to effectively manage the obstacles and possibilities in emerging economies.

## 2. REVIEW OF THE LITERATURE

Entrepreneurial orientation (EO) is acknowledged as the foundation for entrepreneurial guidance. EO possesses three primary characteristics: (1) Entrepreneurial orientation (EO) encompasses five key elements: innovation, risk-taking, proactivity, competition assertiveness, and self-sufficiency. (2) These five factors are autonomous and independent. (3) The impact of entrepreneurship orientation on firm performance may vary due to the influence of mediating variables, as suggested by Lumpkin and Dess (1996). Individuals with a high entrepreneurial orientation (EO) possess a strong inclination towards innovation, are willing to take calculated risks, engage in activities that enhance their self-efficacy, and want to stay ahead of their competitors (Lumpkin and Dess, 1996; Wiklund and Shepherd, 2005).

Entrepreneurship Orientation (EO) refers to the strategic stance of a company that consistently embraces risk-taking, inventive, and proactive activities, thereby impacting the company's success (Covin and Slevin, 1989; Hoskisson et al., 2011). Theoretical advancement and empirical examination into the generative mechanisms that explain the relationship between entrepreneurial orientation (EO) and performance have not been extensively studied, despite the existing research on EO situations, results, and performance (Wales et al., 2013). The capabilities that organizations develop through their executive officer (EO), which subsequently empower them to achieve favorable market performance, remain unclear. To comprehend these generative mechanisms, it is necessary to analyze the mediators that have a crucial role in producing the performance effect of entrepreneurial orientation (Lumpkin and Dess, 1996; Wales et al., 2013).

Lumpkin and Dess (1996) determined that entrepreneurial attitude reveals the activities and achievements of organizations. Eisenhardt and Schoonhoven (1990) discovered that new companies joining the market often lack adequate financial and administrative resources, leading to a neglect of long-term vision and planning for their organization. Entrepreneurial orientation plays a crucial role in shaping a company's structure and its capacity to seize new opportunities. This is emphasized by various studies that highlight the importance of entrepreneurial orientation in driving a firm's performance (Barringer and Bluedorn, 1999; Ireland et al., 2003; Wiklund and Shepherd, 2003; Zahra and Garvis, 2000; Bhatta et al., 2024).

In a study conducted by Lee (2017), the relationship between entrepreneurial orientation (EO) and firm performance was examined, considering the moderating influence of family governance. The study's moderating variable was constructed by combining family ownership and family management, as well as combining family ownership and family control. The findings indicated a positive correlation between entrepreneurial orientation (EO) and firm performance, specifically when family proprietorship is combined with "lively family organization" and "mechanism". However, in cases of inactive family governance, the link between EO and firm performance was found to be insignificant in Taiwan (Lee and Chu, 2017).

Most of the recent research have sought to investigate the impact of entrepreneurial orientation on a firm's performance. Lomberg et al. (2017) examined how entrepreneurial orientation and psychological traits influence firm performance. Most empirical research have demonstrated that firm performance can be enhanced by several organizational features, including the participation of the CEOs. The findings of this study confirm that the CEOs' dominance and self-confidence are crucial individual elements in entrepreneurial orientation, supporting a unified perspective on business performance (Lomberg et al., 2017). In an emerging market scenario, Cui et al (2018) investigated the mechanisms by which entrepreneurial orientation influences business performance. They found that the increasing impact of entrepreneurial orientation on firm performance is mediated by the dynamic capabilities of absorptive capacity and boundary-spanning.

The topic of performance is a significant focus in the literature on management and entrepreneurship, particularly when examining the long-term strategies of researchers and managers. Hence, while there is ample availability of guidelines for improving a company's performance, scholars are primarily focused on examining the conceptual and theoretical aspects of the term itself. The firm's performance is a subject of interest in managerial study, encompassing both financial and non-financial aspects such as market performance in terms of innovation and return on investment for investors.

Clark (1999), Haber and Reichel (2005), and Venkatraman and Ramanujam (1986) have advocated for the development of a more thorough assessment of a company's success. They argue that it is crucial to consider both financial and non-financial indicators when evaluating a business. Leadership entails directing a collective of individuals towards the achievement of a shared objective. Leadership is the act of exerting influence on others, enabling an individual to impact and assist in the accomplishment of objectives. Effective leadership enables firms to enhance their Innovation and profitability, but the degree of success is contingent upon the specific leadership style employed.

Warrick, (1981) asserts that a manager's leadership style has a significant impact on several outcomes of a business, including its success, staff turnover rate, absenteeism, and customer satisfaction. Leadership styles exert influence over employee behavior in relation to the administration of rewards and punishments. According to Schyns and Sander (2007), it can either motivate or discourage staff, which can subsequently increase or decrease productivity. According to Warrick (1981), different leadership styles have an impact on employees' work environment and can either have a favorable or bad effect on their self-perception. This, in turn, can influence their productivity and level of satisfaction, ultimately affecting the overall performance of the organization. The focus of talks regarding managers' leadership styles has primarily been on their impact on the company's success. The veracity and efficacy of the leadership style and the company's performance are thought to be contingent upon the disposition of the leaders. The tasks and responsibilities they undertake in the decision-making process aid firms in resolving problems and attaining comprehension of the situation and their competitors (Bass 1991; Waldman and Yammarino, 1999).

The absence of decisive choices would prevent organizations from attaining a competitive edge. Nevertheless, as stated by Hannan and Freeman (1989) and Ehrlich et al. (1990), organizations that lack practical competence are at a disadvantage, primarily because of their own leadership, and this can have a negative impact on the organization's performance. While some scholars argue that leadership plays a crucial role in shaping the performance of an organization, others have found that its influence is limited (Barrick et al., 1991; Bass et al., 2003; Bertrand and Schoar, 2003; Judge and Piccolo, 2004; Koene et al., 2002).

According to several experts, leadership is considered the primary factor that impacts the performance of a company (Cummings and Schwab, 1973). A study on leadership style and company performance found that the leader's style has a positive impact on

payment performance, which in turn affects the overall performance of an organization (Avolio and Bass, 1995). While entrepreneurial orientation is generally believed to have a beneficial impact on a company's performance, further examination of the intermediate degrees of entrepreneurial orientation and organizational performance is necessary. Hult et al. (2004) have observed that an organization's learning orientation is influenced by a shared set of conventions and values. Consequently, these factors can be influenced by other variables that can affect the performance of the organization. In addition, Pérez López et al. (2005) proposed that controversial results stem from the correlation between organizational learning and business performance.

Engelen et al. (2015) examined the relationship between entrepreneurial approach, business performance, and the influence of transformational leadership styles. Their research demonstrated that the transformative behaviors of leaders had a beneficial impact on the relationship between entrepreneurial orientation and business success.

Samad (2012) examined the primary determinant of organizational success. Their research demonstrated a strong correlation between transformative leadership and Innovation, both of which exert a substantial impact on organizational success. Suggesting that the performance of Malaysian logistics industry has been enhanced due to innovation. In addition, a separate explanatory study analyzed the impact of different leadership styles and the level of innovativeness on the overall performance of the organization. The results suggested that both innovativeness and transformational and transactional leadership styles exert a beneficial impact on corporate performance throughout Turkey (Yıldız et al., 2014).

Prior research has also confirmed a correlation between leadership style and the performance of a company (As-Sadeq and Khoury 2006; Ling et al., 2008; Lo et al., 2010). Previous studies by Moreno and Casillas (2008), Rauch et al. (2009), and Wiklund (1999) have mostly investigated the connection between entrepreneurial orientation and performance. However, there is a limited amount of research that has simultaneously explored the correlations among these three factors. Todorovic and Schlosser (2007) and Chung-Wen (2008) are among the few researchers who have analyzed these interactions concurrently. Abdul Razak (2010) asserts that effective leadership, namely leaders' behavioral efficacy and entrepreneurs' emotional engagement, is a crucial factor in the success of entrepreneurial ventures. This claim is substantiated by studies highlighting that the actions and behaviors of leaders in Small and Medium Enterprises (SMEs) profoundly influence a firm's innovative capability and long-term performance (Matzler, Schwarz, Deutinger, & Harms, 2008). In a more competitive global market, SMEs must use adaptive and proactive leadership strategies to ensure viability and sustainability. Leadership behavior is crucial for synchronizing organizational initiatives, ensuring strategic clarity, and inspiring employees toward common objectives. This perspective is supported by research indicating that leadership behaviors are crucial in SME contexts, where leaders significantly impact strategic direction, employee engagement, and operational efficiency (Hayat & Riaz, 2011; Ling, Lubatkin, Simsek, & Veiga, 2008).

### 3. METHODOLOGY

The objective of our study was to investigate how leadership style influences the connection between entrepreneurial orientation and business performance in the telecommunication industry of Somalia. To accomplish this goal, we utilized a research methodology based on surveys.

A cross-sectional survey was undertaken to specifically target middle and senior managers employed by high-performing enterprises in the telecoms sector throughout Somalia. A total of 300 questionnaires were circulated among regional and departmental directors. The poll sought to evaluate the firms' entrepreneurial leadership and its influence on firm success. We obtained 208 valid responses from the disseminated surveys, resulting in a response rate of 70%.

A preliminary poll was done before the main study, involving 30 employees from a telecommunications company. The selection of these volunteers was based on their convenient availability and desire to participate. The pilot test had two main objectives: to enhance and optimize the survey instrument, and to assess the reliability of the constructs included in the study.

Table 1 displays the demographic characteristics of the study participants. The male respondents accounted for 87.5% of the total, while the female respondents accounted for 12.5%. The data

**Table 1: Demographics**

Demographic profile	Frequency	Percent
Gender		
Male	182	87.5
Female	26	12.5
Total	208	100
Age		
21-25	128	61.5
26-30	38	18.3
31-35	8	3.8
36-40	16	7.7
More than 40 years	18	8.7
Total	208	100
Education background		
Bachelor	156	75
Master	46	22.11
PhD	6	2.88
Total	208	100
Marita status		
Married	94	45.2
Single	114	54.8
Total	208	100
Experience		
<5 years	98	47.1
More than 6 years	110	52.9
Total	208	100
Management position		
Corporate Governance	24	11.5
Public Relation	31	14.9
Seles Employees	95	45.7
Financial department	11	5.3
Marketing department	27	12.9
Operation Division	20	9.6
Total	208	100

indicates that out of the respondents, 128 were aged between 21-25 years, 38 were aged between 26-30 years, 8 were aged between 31-35 years, 16 were aged between 36-40 years, and 18 were over 40 years old. The data on the marital status of the respondents indicates that 114 of them were single, while the remaining 94 were married.

Furthermore, the demographic table of the Employee experience reveals that 98 respondents had <5 years of experience, while the remaining 110 had more than 6 years of experience. Based on the respondents' educational background, 156 individuals held a bachelor's degree, 46 individuals held a master's degree, and just 6 individuals held a PhD degree. Out of the respondents, 24 had management positions in Corporate Governance, 31 were Public Relations officers, 95 worked in the Sales department, 11 were in the financial department, 27 worked in the marketing department, and 20 worked in the operation division of the telecommunications business.

### 4. DATA ANALYSIS AND RESULTS

During our inquiry, we utilized partial least square approaches, specifically SmartPLS 3.0, to examine the hypothetical model that was proposed in this work and assess the quality of the build.

#### 4.1. Convergent Validity

In the literature on structural equation models, it is suggested that the composite reliability, alpha, and average variance should be utilized to evaluate the convergent validity of a concept. Standardized loadings should typically be at least 0.7 and statistically significant to be considered reasonable. In 1981, Fornell and Larcker published their study, which is where the reference comes from. Due to the lack of appropriate loading, two risk-taking assessments were removed from the construct that represents entrepreneurial orientation. In addition, four components that were included in the leadership style construct were eliminated. According to Table 2, the factor loadings of all the variables were higher than the benchmark, except for two indicators that were derived from the leadership style measurements. The fact that these two components make a major

**Table 2: Convergent validity and reliability test**

Construct	Items	Loading	AVE	Alpha	Composite reliability
Entrepreneurial orientation	INN1	0.778	0.662	0.915	0.932
	INN2	0.865			
	INN3	0.774			
	PR1	0.823			
	PR2	0.895			
Firm Performance	PR3	0.810	0.760	0.921	0.941
	RT1	0.739			
	FP1	0.873			
	FP2	0.897			
	FP3	0.853			
Leadership style	FP4	0.859	0.540	0.714	0.823
	FP5	0.876			
	LS2	0.641			
	LS3	0.648			
	LS7	0.818			
	LS8	0.812			



contribution to the total content validity of the construct is the reason why they are kept intact. It has been stated by Hair et al. (2013) that it is common for social science investigations to come into the phenomenon of low indicator loading. As a result, they advise exercising caution when deleting items with low loadings because doing so can influence the content validity of construct assessments.

The results shown in Table 2 present evidence that the average variances extracted (AVE) for each of our constructs are more than 0.5. Because of this, we can reliably draw the conclusion that the measures have convergent validity that is sufficient. The method of Cronbach's alpha was utilized to evaluate the degree of internal consistency that the construct measurements achieved. In accordance with the conclusions that have been established in the existing body of literature (Nunnally and Bernstein, 1994), all the alpha values were higher than the threshold of 0.7. As can be seen in Table 2, the results of the composite reliability testing indicate that the values are higher than the criteria of 0.7.

#### 4.2. Discriminant Validity

In the context of research models, the term "discriminant validity" refers to the degree to which different dimensions within the model may be differentiated from one another. This implies that the dimensions should not have a high correlation with one another. To determine whether the measurement model is discriminately valid, the methodology that was given by Fornell and Larcker (1981) is utilized in the current investigation that we are conducting. Based on the existing body of research, it is suggested that a construct ought to display unique qualities that differentiate it from other theoretical models that are connected to it. If it has exhibited little cross-loading with the dimensions of the other constructs, and if the square root of the average variance extracted (AVE) for the construct is more than the correlation between the construct and other constructs, then the construct is considered to have a very high degree of correlation. As a result, the SEM-PLS graph reveals that the concept was successfully studied, which demonstrates that the conditions for discriminant validity were successfully satisfied. The discriminant validity of this study was proved in accordance with the criteria that Fornell and Larcker (1981) proposed about discriminant validity. As shown in Table 3, the diagonal values (representing the square root of AVE) for entrepreneurial orientation (0.814), firm performance (0.878), and leadership style (0.735) are all higher than the corresponding off-diagonal inter-construct correlations. This confirms that each construct shares more variance with its indicators than with other constructs in the model, thereby establishing satisfactory discriminant validity.

#### 4.3. Structural Model

To determine whether the construct was statistically significant, different bootstrapping procedures were utilized. A bootstrapping method with a sample size of 5,000 was utilized in our research, which was in line with the previous research that had been conducted (Hair et al., 2013). The PLS-SEM structural model was developed for the aim of making predictions, and the major goal of the model is to maximize the variance of the criterion variable. According to Hair et al. (2013), one of the most important evaluation strategies when using the PLS model is to do an

analysis of the coefficient of determination ( $R^2$ ) of the endogenous constructs. According to Figure 1, the dimensions of entrepreneurial orientation and leadership style accounted for 63 percent of the variation in the dependent variable that corresponds to them. This is a considerable amount of variation.

The purpose of our research was to investigate the ways in which three aspects of entrepreneurial orientation—namely, Innovation, pro-activeness, and risk-taking—influence the success of businesses operating in the telecommunications sector in Somalia. Furthermore, we investigated whether the leadership style played a role in mediating the relationship between entrepreneurial approach and the performance of the company. Following an analysis of the previously published research, three hypotheses were developed. To determine whether these hypotheses are correct, a PLS path analysis was carried out with SmartPLS 3.0. The purpose of this analysis was to evaluate the influence that the predictors have on the mediator factors as well as the criterion variables. The path coefficients, t-statistics, and P values that were applied to evaluate the correctness of the hypotheses are presented in Table 4.

As depicted in Figures 1 and 2, and summarized in Table 4, the findings obtained from the PLS graph indicate that the path coefficient between the dimensions of entrepreneurial orientation serves as a positive indicator of firm performance ( $\beta = 0.270$ ,  $t = 4.276$ ,  $P = 0.000$ ) and leadership style ( $\beta = 0.683$ ,  $t = 21.177$ ,  $P = 0.000$ ). This is supported by the fact that firm performance is positively correlated with entrepreneurial orientation. In addition, the findings indicate that the leadership style has a noteworthy and favorable influence on the success of the company within the sample that was analyzed ( $\beta = 0.588$ ,  $t = 9.963$ ,  $P = 0.000$ ). The findings of this study provide evidence that the entrepreneurial attitude and leadership style characteristics have a significant impact on the financial success of businesses. Because of this, hypotheses  $H_1$ ,  $H_2$ , and  $H_3$  have been validated to a significant degree.

#### 4.4. Mediation Path Test

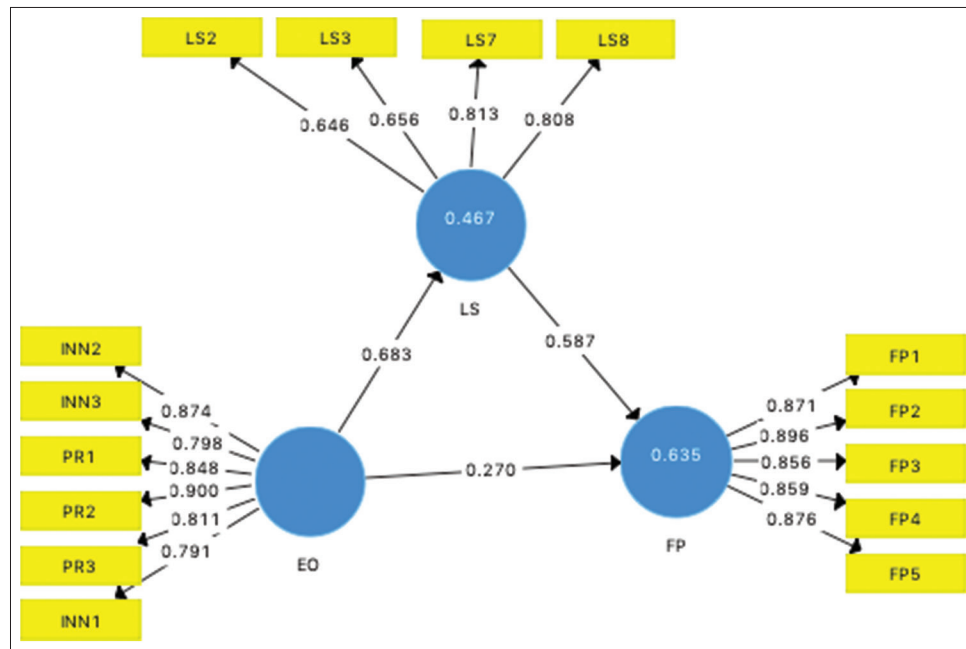
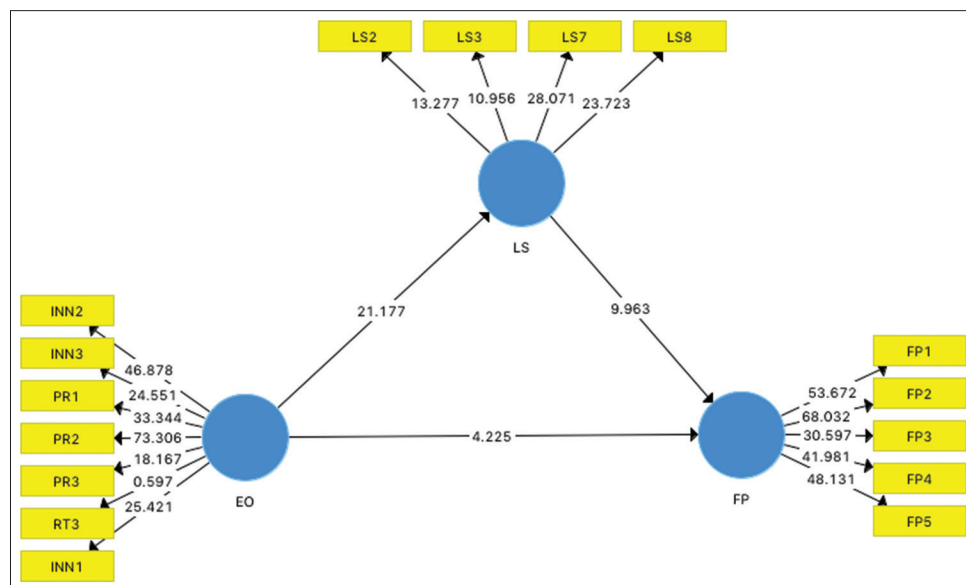
Initial analysis of the total direct connection between entrepreneurial inclination and business performance is required to evaluate the mediation variable in this study using SmartPLS. This is because the mediation variable is the one that is being evaluated. It is essential to investigate the connection and the significance of

**Table 3: Fornell-Larcker criterion for discriminant validity**

Construct	EO	FP	LS
EO	0.814		
FP	0.741	0.878	
LS	0.710	0.774	0.735

**Table 4: Path coefficients**

Proposed path	Coefficient	SE	T values	P-values	Decision
EO → FP	0.270	0.063	4.225	0.000	Supported
EO → LS	0.683	0.059	21.177	0.000	Supported
LS → FP	0.588	0.059	9.963	0.000	Supported

**Figure 1:** Structural Model Showing the Effects of Entrepreneurial Orientation and Leadership Style on Firm Performance**Figure 2:** Bootstrapping values for the path coefficients**Table 5: Indirect effect test**

Mediation path	Coefficient	SE	T statistics	P values	Confidence intervals 2.5%	Confidence intervals 97.5%
EO -> LS -> FP	0.402	0.046	8.715	0.000	0.317	0.496

the matter, as well as to record the value of the beta coefficient. Following that, the mediating factors are incorporated into the regression analysis alongside the initial model, and it is anticipated that there will be indirect effects that are statistically significant.

According to the findings of our research, the leadership style plays a part in determining the extent to which the connection between entrepreneurial orientation and the performance of a company is influenced. Table 5 presents evidence that reveals a significant and favorable correlation between Entrepreneurial Orientation (EO)

and Firm performance with respect to the mediation component ( $\beta = 0.402$ ;  $t = 8.715$ ). In light of this, the fourth hypothesis, which proposes that the leadership style functions as a mediator between entrepreneurial orientation (EO) and business performance, has been validated.

## 5. DISCUSSION OF THE RESULTS

The research carried out in Somalia's telecommunications industry provides a detailed comprehension of how entrepreneurial

orientation (EO) acts as a catalyst in improving firm performance. The study's assertion that entrepreneurial orientation (EO) has a direct impact on firm success is consistent with previous research in the field of entrepreneurship. This finding strengthens the notion that qualities like innovation, risk-taking, and proactivity are crucial for the growth and competitiveness of businesses. This is especially pertinent in the context of small-scale firms, where entrepreneurial orientation serves as a crucial component in igniting innovation and seeking new market opportunities.

The study uncovers a complex view on organizational dynamics by examining the interaction between EO and leadership style. The study reveals that leadership style has a more complex role than previously thought. It does not simply mirror a company's operational values, but actively influences the implementation of entrepreneurial strategies. In contexts such as Somalia, where firms function under post-conflict and constantly changing economic circumstances, the flexibility and foresight of leadership can significantly impact the way entrepreneurial methods manifest as concrete commercial results.

The objective of our study was to analyze the impact of entrepreneurial approach, leadership style, and business performance in the communications industry of Somalia. The study aimed to examine how the leadership style of a company mediates the relationship between entrepreneurial approach and the success of these firms.

The results of our study highlight the significance of entrepreneurial orientation in enhancing overall firm performance. Entrepreneurial orientation is a fundamental aspect of all firms, particularly small-scale businesses, as it enables them to embark on new endeavors (Miller, 1983). Allocating resources towards a firm's entrepreneurial orientation will result in significant transformations, ultimately enhancing performance and achieving success.

The initial hypothesis posited that entrepreneurial approach has a favorable and direct impact on company performance. Our research substantiated this assertion and aligned it with other prior studies in the field (Ali&Ali,2014; Lumpking & Dess, 1996; Nadeem et al., 2016). Prior studies (Nadeem et al., 2016; Jung et al., 2003; Ling et al., 2008) have confirmed and validated our second hypothesis, which states that there is a substantial correlation between entrepreneurial orientation and leadership style. The third hypothesis investigated the correlation between leadership style and company performance. The study revealed a strong and positive association between these two variables. Thus, the theory was deemed valid and corroborated. This conclusion was corroborated and substantiated by other analogous prior investigations on the topic (Nadeem et al., 2016; Muchiri & McMurray, 2015; Gupta et al., 2013).

The study concluded that leadership behavior or style acts as a mediator in the relationship between entrepreneurial orientation and company performance in Somalia's telecommunication industry. Specifically, the study found that leadership style partially mediates the relationship between the explanatory factor and the criterion variable.

This study enhances the current body of literature by providing contextual information from Post-Conflict Somalia, specifically examining the correlation between entrepreneurial mindset and leadership style with company performance. The incorporation of leadership style as a mediator of the entrepreneurial orientation model theoretically enhances the resource-based views theory in the context of Somalia.

Moreover, the study's finding that leadership style serves as a mediator between entrepreneurial orientation (EO) and business success is especially innovative. This study proposes that the effectiveness of entrepreneurial tactics in improving company performance can be greatly influenced or limited by the type of leadership. Leaders who can harmonize their leadership style with the entrepreneurial attitude of the organization can generate a powerful synergy that drives the firm towards heightened levels of success. Conversely, when there is a discrepancy between the style of leadership and entrepreneurial orientation (EO), it can impede a company's capacity to fully exploit its entrepreneurial endeavors.

This observation has significant ramifications for company strategy, particularly in demanding and ever-changing industries. The statement implies that for companies to effectively utilize their entrepreneurial orientation, they must actively work towards developing leadership styles that are both receptive to and encouraging of entrepreneurial endeavors. Leaders in such contexts must possess not only a clear vision and a readiness to take risks, but also the capability to cultivate an organizational culture that enthusiastically embraces innovation and actively engages with the market.

The results of this study provide a helpful perspective on the intricate connection between entrepreneurial orientation (EO), leadership style, and company performance. They offer a strategic framework for business executives, especially in comparable settings, to enhance their plans, guaranteeing that leadership and entrepreneurial mindset are effectively synchronized for maximum business effectiveness. This research emphasizes the significance of adopting a comprehensive approach to business strategy, wherein the leadership style is acknowledged as a crucial factor in effectively transforming entrepreneurial attitude into favorable firm performance.

## 6. CONCLUSION AND POLICY RECOMMENDATIONS

The research carried out on Somalia's telecommunications sector greatly enhances our comprehension of the interplay between entrepreneurial orientation (EO), leadership style, and company success, providing valuable theoretical and practical knowledge. It enhances the existing entrepreneurial literature by incorporating the idea of leadership style as a mediator in the EO model, specifically within the African context. This is a fresh outlook on the theory of resource-based viewpoints, emphasizing the significance of leadership as a crucial resource that can enhance or temper the influence of entrepreneurial orientation on the performance of a company.

Practically speaking, the study has several ramifications for corporate leaders, particularly in demanding settings such as Somalia. The text underscores the significance of harmonizing leadership approach with entrepreneurial tactics to optimize company success. This is particularly pertinent in countries that have recently experienced conflict and are still in the process of development, as the business environment is changing quickly and offering distinct difficulties and opportunities. The flexibility and ability to quickly adjust leadership styles are essential in these situations, as they have a substantial impact on the effectiveness of entrepreneurial orientation strategies.

The study emphasizes the necessity of enhancing leadership development through capacity building, specifically focusing on the principles of equal opportunity. Allocating resources to these development initiatives can result in improved performance outcomes, especially for small and medium-sized firms aiming to gain a competitive advantage. Moreover, the results indicate that policymakers should endorse the advancement of entrepreneurial orientation (EO) and leadership approaches to promote economic expansion, particularly in nations recovering from conflicts.

Ultimately, this research highlights the crucial significance of leadership style in moderating the connection between entrepreneurial orientation and company performance. The results provide significant knowledge for corporate executives working in comparable situations, emphasizing the importance of a harmonious strategy that integrates strong entrepreneurial orientation with flexible leadership styles. An imperative strategy is necessary to navigate and thrive in dynamic and complex situations, especially in post-conflict economies when conventional corporate methods may be inadequate. This study represents a noteworthy addition to both scholarly literature and practical company tactics, offering a thorough comprehension of the elements that propel commercial triumph in distinctive and demanding environments.

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