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Relationships between  
Entrepreneurial Orientation and Firm Performance:  
The Role of Family Involvement amongst  
Small Firms in Vietnam

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## **Abstract**

This thesis broadly investigates entrepreneurship and its intersections with other related research fields, principally family business and organisational behaviour, using multiple studies with different respondent groups in the context of Vietnam. The thesis follows a PhD by publication approach by presenting four studies that examine different sets of relationships among the research variables and presents each of these as a separate paper.

Studies 1 and 2 use resource-based theory to test the influence of entrepreneurial orientation and family involvement (i.e., involvement of the owner-manager's family in the firm in terms of the family's power, experience, and culture) on firm-level performance. Using a firm-level dataset of 170 Vietnamese small firms, the research confirms the direct effect of entrepreneurial orientation and the moderating effect of family culture, based on results from two hierarchical moderated regression models for firm outcomes (Study 1) and the owner-manager's goal attainment (Study 2).

Study 3 employs social contagion theory and crossover theory to test the crossover from the owner-manager to his/her employees under the involvement of the owner-manager's family. Results from a multilevel analysis using a dataset of 67 small firm owner-managers and 343 employees confirm that the owner-manager's entrepreneurial risk-taking has a detrimental effect on both employee job satisfaction and organisational commitment. Study 3 also found the power dimension of family involvement reduces the negative effect of the entrepreneurial risk-taking as the family pursues socio-economic wealth preservation.

Finally, Study 4 explores the notion of becoming an entrepreneur and tests whether the employee's turnover intentions, under the proximal withdrawal states approach, contribute to development of their entrepreneurial intentions. Results from a structural equation modelling analysis use a dataset of 147 employees to confirm that turnover intentions are positively related to entrepreneurial intentions, but this effect is fully mediated by personal attitudes towards being an entrepreneur.

Overall, this thesis contributes to the literature of entrepreneurship and its intersections with family business and organisational behaviour. Based on the research findings, the thesis suggests further research and discusses implications for researchers, policy makers, and business practitioners.

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## **List of Abbreviations**

CFA	confirmatory factor analysis
CFI	comparative fit index
CMV	common method variance
EI	entrepreneurial intentions
EO	entrepreneurial orientation
ERT	entrepreneurial risk-taking
F-PEC	Family power, experience, and culture
FB	family benefits
FPS	financial performance satisfaction
JS	job satisfaction
NFPS	non-financial performance satisfaction
OB	organisational behaviour
OC	organisational commitment
PA	personal attitudes
PAch	personal achievement
PBC	perceived behavioural control
PWS	proximal withdrawal states
RBT	resource-based theory
RMSEA	root-mean-square error of approximation
SEM	structural equation modelling
SEW	socio-emotional wealth
SN	social norms
SRMR	standardised root mean residual
TI	turnover intentions
TPB	theory of planned behaviour



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