



The Impact of Entrepreneurial Characteristics and Organizational Culture on Innovativeness in Tourism Firms

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Purpose: Innovativeness in firms can reasonably be considered a key factor of firm performance. This paper seeks to focus on two determinants of tourism firms' innovativeness: entrepreneurial orientation and organisational culture dimensions. It highlights the importance of these determinants in the tourism sector. The role of the entrepreneurial orientation of the firm and the correlation with innovation capacities is the research topic of several authors (Zhao and Seibert, 2006; Avlonitis and Salavou, 2007; Hjalager, 2010; Ahlin et al., 2014). From the most commonly used dimensions of entrepreneurial orientation, we decided to focus on (1) proactiveness, (2) risk-taking, and (3) competitive aggressiveness. In studies dealing with the topic of organizational culture and factors associated with it, the researchers took into account different typologies. For the aim of our research, the Hofstede (2001) typology was employed, addressing four dimensions of organizational culture: (1) power distance, (2) uncertainty/avoidance, (3) individualism/collectivism, and (4) empowerment. The main purpose of our paper is to identify the key dimensions of entrepreneurial orientation and of organisational culture that have a greater influence on innovativeness and thus to offer a better understanding of how to foster the innovation process.

Methodology: First, previous studies in the area of innovativeness in tourism are discussed, and different constructs and measures of entrepreneurial orientation and organisational culture are compared. The questionnaire was developed following previous studies. All constructs were measured using existing scales, and all items were measured on a five-point Likert-type scale (1 = strongly disagree; 5 = strongly agree). Entrepreneurial orientation dimensions were measured with 12 items (risk taking = four items; proactiveness = five items; competitive aggressiveness = three items). Organisational culture was measured with 18 items (power Distance = six items; individualism/collectivism four items; uncertainty avoidance = four items; empowerment = four items). Next, the empirical part, including data collection and analysis, is presented. A conceptual model was developed and empirically tested based on Slovenian tourism SMEs. Data were collected using a mail survey sent to CEOs representing SMEs in the tourism sector. Exploratory FA was performed; afterwards, hypotheses were tested using structural equation modelling.

Results: Data gathered from the survey suggest that entrepreneurial orientation and organisational culture dimensions positively influence innovativeness in tourism firms. Empirical evidence supports the view that a firm with more developed entrepreneurial characteristics and organisational culture will be more innovative. Thus, aiming to increase innovativeness, tourism firms should be encouraged to introduce more entrepreneurial activities and to take care about developing the organisational culture. On this basis, greater innovativeness and subsequently greater competitiveness can be reached.

Theoretical contribution: This paper is one of the first to find empirical support for the role of entrepreneurial characteristics and organisational culture in tourism firms in Slovenia. Despite a number of limitations, the work offers a picture of how these dimensions should be developed in order to enhance innovation. It also presents managerial implications, since managers are responsible for the forming of these dimensions.

Keywords: tourism, SME, innovativeness, organisational culture, entrepreneurial orientation