

Owner-Managers of Smes in it Sector: Leadership and Company Performance

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Abstract

Leadership styles of owner-managers were explored in Malaysia by examining the company financial performance of SMEs in IT sector and their impact. It was justified that the study has both theoretical and contextual significance. Data were collected from 200 companies in Melaka, Johor, Selangor and Negeri Sembilan by adopting mixed methodologies that consisted of both qualitative and quantitative approaches. Descriptive statistics and correlation coefficient were used in the analysis. The findings revealed that the existence of three main leadership styles in the sample, namely; entrepreneurial, managerial, and mix of both entrepreneurial and managerial leaderships. The analysis indicated that 60 percent of firms had increased financial performance, while 35 percent firms had decreased financial performance. The impact analysis showed that entrepreneurial leadership style is more effective than managerial leadership styles and the mixed style of leadership in terms of increasing financial performance. It also has practical implications for business leaders and owner managers of SMEs in IT sector.

Keywords: SME, Leadership, Entrepreneur, Manager

1. Introduction

Acquiring leadership skills is not by training but these skills are born in every human. A group, an organisation or even entire country will look on the success or failure in a leadership (Fiedler, 1996; Idris et al., 2008). However, previous research in leadership was conducted in the United States, Western Europe, America Latin and several Asian nations (Dofman and House, 2004; Yukl, 2002, Hofstade, 1993) and less is known about leadership and their entrepreneurial orientations in South Asian, African, Arab, and Eastern European countries (Dofman and House, 2004; Kropp, Lindsay, and Shoham, 2008). This requires research in number of different context that includes specific industries and cultures (Valliere, 2008; Idris et al., 2008; McPherson, 2008; Smith 2007). The purpose of this study is to explore the leadership styles of owner managers of SMEs in ICT sector in four states in Malaysia; Melaka, Johor, Selangor and Negeri Sembilan ⁽¹⁾ (Appendix A) in particular and examine their impact on financial performance of companies.

2. Literature review

Entrepreneurs and Managers

Entrepreneurs are sometimes acting like managers and meanwhile, managers too are constantly needed to act like entrepreneurs. As an entrepreneur, methodical disciplines of a manager need to learn and also a manager need to develop the spirit of an entrepreneur such as the drive and the opportunism (Heller, 2006). In the management literature, entrepreneurship seems to be associated with leadership and sometimes used as synonymous. Gupta et al., (2004); Tarabishy et al., (2005), had explore leadership and entrepreneurship by combining these two concepts. However, management and leadership are not necessarily synonymous, but they may be related (Davidson and Griffin, 2000). Nevertheless, differences can also be found between managers and entrepreneurs. Entrepreneurs emerged out of people while managers are appointed. Entrepreneurs have assistance while managers have colleagues. Wisdom, intuition and charisma are being use by the natural powers of entrepreneurs, while managers depend more on positional power. Although the influencing power of a manager is founded upon authority, entrepreneurs influencing power goes beyond the formal authority.

From behavioural decision theory on the non-rational decision-making models, stated that entrepreneurs are more inclined toward decision making heuristics and favouritisms rather than the managers (Busenitz and Barney, 1997). Jones and George, (2007) mentioned that in producing new and improved good and services, entrepreneurs are those who look towards opportunities and take the responsibility as well as the risk to mobilize the resources. Meanwhile, to achieve organisational goals efficiently and effectively by supervising human and managing resources were done by the managers. Davidson and Griffin (2000) however, argue that when it comes to performing roles, the differences between roles are often the differences of degree rather than of kind. As life cycle theory of organisational leadership (Baliga and Hunt, 1987) highlights organisations need both managers and entrepreneurs or leaders. To achieve optimum results, the two skill sets need to overlap or complement each other (Davidson and Griffin, 2000).

Accordingly, when an organisation is at the beginning stage, a few steps need to consider in creating a vision as an instrument for the entrepreneurial leadership (transformational) process. Richard (2003), mentioned in the four stages in an Organizational Life Cycle, the Collectivity and Formalisation stages, managerial or transactional leadership becomes important to handle accelerating growth. A heavy emphasis on entrepreneurial leadership is needed again at the Elaboration of structure stage.

In the previous literature, in enhancing the company performance in a complex and volatile environment, strategy needed in the rising of competition for critical resources (Gupta et al., 2004). Entrepreneurial orientation, the presence of organisational level entrepreneurship, is commonly used measure in the literature (Wen Yang, 2008; Busenitz and Barney,; Wiklund and Shepherd, 2005; Morris and Kuratko, 2002).

The demand for differential in placing the leaders may vary according to local political systems, or the demographic structure of organizations, or the strategic leader's organizations requirements (Bass, 1990). In cultural entities with dominant norms that associated with preferences in the behaviour for certain leader have also been shown (Stening and Wong, 1983) and ideological ethics or religious values (Hofstede and Bond, 1988). In China, Hong Kong and India, hiring families' relationship is norm in those countries by practising organisational management in their company (Dofman and House, 2004). Therefore, with strong and importance in family ties protective management practices are accentuated in these countries (De Lema and Durendez, 2007; Dofman et al., 1997). According to management literature, these orientations are not essentially managerial or professional.

At the same time, literature indicates that, in a small active entrepreneurial business ventures or a new start-up business, entrepreneur need to play an important role (Kropp, Lindsay, and Shoham, 2008; Lumpkin and Dess, 1996; Covin and Slevin, 1989). In addition, the life cycle theory of organisational leadership (Baliga and Hunt, 1987) also highlights need of entrepreneurial leadership at different stages of life the life cycle. When such lead entrepreneurs or owner managers manage organisations, it can be argued that the leadership orientation is entrepreneurial than managerial. This had been supported by several scholars that mentioned to achieve in high performing firms, entrepreneurial orientation (EO) being suggested as an important attribute (Covin and Slevin 1989; Lumpkin and Dess 1996; Lee and Peterson, 2000).

3. Methodology

Measures of Leadership Styles and Performance

The literature review seems to suggest in entrepreneurial leadership, it is a transactional leadership rather than transformational leadership (e.g. Thornberry, 2006). It is also reveal that entrepreneurial orientation of leadership consists of both leadership approaches and styles which are associated with elements of transformational leadership approach (Misumi, 1985) and autocratic styles (Dofman, Hangers & Brodbeck, 2004). Similarly, it was found that managerial orientations are associated with transactional leadership approach and participative leadership styles (Dofman, Hangers & Brodbeck, 2004; House and Dessler, 1974). In the GLOBE culture and leadership scale, (Dofman, Hangers & Brodbeck, 2004) also considered reversed score of Autocratic style as participative.

Accordingly, we developed 20 alternative statements to represent entrepreneurial (10) and managerial (10) leadership styles. Respondents are expected to select any alternative approach as a solution to a given scenario. The scenarios were selected based on the information gathered through a pilot study of 18 owner- managers. They were relevant to common issues and decision making situations faced by the respondents of the pilot survey. All data will be discussed using descriptive statistic such as frequencies. These data that had been gathered will be formulated using the Statistical Package for Social Sciences (SPSS) 16.0.

With regard to measure of company performance, previous study have proven its reliability that by gathering business/company performance data Many researchers have argued about using both qualitative and quantitative method to measure the company performance. Three different performance measurement methods were identified; stability measurement, multifaceted assessment and financial assessment were found while reviewing the empirical studies on the international strategic alliances performance and the attributes on behavioural, Robson et. al. (2006). Moreover, with no legal obligation, SMEs are privately ownership and information to the public is unreliable (Wen Yang, 2008).

In addition, company may not want to reveal its actual financial report (Tse et al., (2004). Research limitations in Kumarasinghe and Hoshino (2010) while investigating the leaders, middle managers' perception related to the decision making process and communication with the influence performance by analysing through quantitative measure was limited because companies that did not publish their financial data was more than half of the total sample.

This method is assumed to be more reliable in a socio cultural context in which many business people in the country do not have positive attitudes towards income tax system and therefore tend to avoid revealing actual sales or profits amounts. Similar methods have been used by previous researchers in the context of Japanese SMEs as well (for example, De Zoysa and Herath, 2007).

4. Results

4.1 Characteristics of the sample

A profile of the sample firm is presented in Table 1. The responses indicate rather a fair representation of many firms in the manufacturing sector and service firms, while textiles and similar products category represents 18 percent of all firms. The other two dominant industry categories are Electronic and electric equipment (16 per cent) and paper, printing, and similar products (14 per cent) respectively. While in service firm, IT related technology represents (6.4 per cent).

Classification of Industry			Firms	%	
Chemical and plastics products			10	5.0	
Electrical and electronic equipment			32	16.0	
IT related technology			13	6.4	
Fabricated metal products			11	5.5	
Food & beverages			15	7.5	
Furniture and wood products			8	4.0	
Machinery and transportation equipment			22	11.0	
Paper, printing and similar products			28	14.0	
Stone, concrete and similar products			10	5.0	
Textile and similar products			36	18.0	
Miscellaneous			15	7.5	
Total			200	100	
Company Age	Firms	%	Employees	Firms	%
0-5 years	12	6.0	1 – 15	22	11
6-15 years	71	35.5	16 – 100	40	20
16-25 years	60	30.0	101-250	78	39
Over 25 years	57	28.5	Over 250	60	30
Total	200	100	Total	200	100

Table 1: Profile of the Sample Firms

Table 1 also shows that many firms (59 percent) in the sample have over 15 years of business experience. Among notable feature of the sample is the dominant representation of small and medium scale firm as it reveals that about 70 percent of firms have less than 250 employees.

4.2 Profiles of Respondents/Owner managers

Table 2 indicates the profiles of responders who are the owner managers of the sampling firms. It shows that male dominant (about 77 per cent) representation of owner managers in the sample, while majority of them (54 per cent) belongs to the age category of 30-50 years. Among the interesting and notable features of the respondents' profiles are the qualifications and the years of experience.

According to Table 2, almost 50 percent of the owner managers have either a professional qualification or a bachelor, or masters' degree qualification and about 59 per cent of them have over 15 years of experience. This feature seems to be more reliable response when we compare it with the age of the business, which also indicates as 59 percent of firms over 15 years of experience (Table 1.)

Sex			Age		
	Total	%		Total	%
Male	154	77	Below 30 years	12	6
Female	46	23	30-50 years	108	54
Total	200	100	Above 50 years	80	40
			Total	200	100
Qualification			Experience		
GCE OL/AL ⁽²⁾	97	48.5	Less than 5 years	19	9.5
Diploma			5-10 years	24	12
Bachelor's Degree	41	20.5	11-15 years	39	19.5
Postgraduate Degree	27	13.5	Over 15 years	118	59
Professional qualification	35	17.5	Total	200	100
Total	200	100			

Table 2: Profile of the Owner/Managers

4.3 Leadership Styles of Owner-Managers

In order to identify leadership styles of respondents, we allocate one mark for each of the entrepreneurial orientation statement.

Questionnaires were based on the Stevenson's conceptualization (Appendix B) of entrepreneurship; total number of point applicable for 100 percent entrepreneurial leadership styles was 10. The leadership orientation of owner managers was measured by the total score they receive. A score of 1 to 4 was identified as more oriented towards managerial style (less oriented towards entrepreneurial), while a score of 7 to 10 was identified as entrepreneurial. Score of 5 or 6 was identified as mix of both managerial and entrepreneurial styles. (Appendix B).

Leadership style	Number of Owner-Managers	%
Entrepreneurial	70	35
Managerial	77	38.5
Both Entrepreneurial and Managerial	53	26.5
Total	200	100

Table 3: Leadership Styles of Owner- Managers

Accordingly, Table 3 shows the distribution of respondents based to their respective leadership styles. Table 3 shows rather equal distribution of leadership styles among two major categories of leadership style. Although it is not necessarily the majority of the sample, managerial leadership is the dominant group among the three leadership styles that represents 38.5 percent of the owner- managers. There are about 35 percent owner managers who are oriented towards entrepreneurial leadership styles. The sample also consists of 26.5 percent of owner-managers who are having both entrepreneurial and managerial leadership styles.

4.4 Financial Performance of Firms

Table 4 present financial performances of firms according to the degree of change in sales occurred during past three years. Accordingly, about 61 percent of firms have a high or small increase in sales. Of the total number of firms, about 10 percent reported a stable position, while about 29 percent having high or small decrease in their sales performance.

Degree of change	Change in Sales during last 3 years	
	Number of companies	%
High increase	56	28
Small Increase	66	33
Stable	20	10
Small decrease	15	7.5
High decrease	43	21.5
Total	200	100

Table 4: Financial Performance of Firms

4.5 Relationship between Leadership Styles and Financial Performance

In order to examine the relationship between leadership styles and financial performance, we identified three main performance categories from the above table and named as 'increased sales', 'decreased sales', and 'stables sale' categories. Table 5 indicates correlation between leadership styles and financial performance.

Table 5 clearly shows that there is a statistically significant positive relationship between entrepreneurial leadership style and increased financial performance ($r = 0.25$, $P < 0.01$). The reliability of the positive impact of entrepreneurial leadership on financial performance is further justified by the significant negative relationship between entrepreneurial leadership styles and decreased financial performance ($r = -0.22$, $p < 0.01$). Similarly, the relationship between managerial leadership styles and sales performance is negative ($r = -0.28$, $P < 0.01$). The reliability of the negative relationship between managerial styles and company performance is also justified by the significant positive relationship ($r = 0.25$, $P < 0.01$) between managerial leadership styles and decreased financial performance. Another interesting finding of the study is that financial performance is not influenced by owner managers who are oriented towards both managerial and entrepreneurial leadership styles.

Leadership Style	Financial Performance		
	Increased	Decreased	Stable
Entrepreneurial	0.25**	-0.22**	-0.07
Managerial	-0.28**	0.25**	0.08
Both Entrepreneurial and Managerial	0.04	-0.04	-0.01

** Significant at 0.01 level, * significant at 0.05 level

Table 5: Leadership Styles and Financial Performance

Overall findings of this study revealed that when owner-managers become more entrepreneurial oriented in their leadership style, they can increase financial performance of their companies. In other words, it seems to suggest that entrepreneurial leadership style is more effective than managerial leadership styles and a combined form of managerial and entrepreneurial leadership styles in terms of increasing financial performance.

5. Conclusions

In this study, the main objective was to explore the leadership styles of owner managers of SMEs in Malaysia context and examine their impact on their company financial performance. Literature review indicates that knowledge about leadership and their impact on company performance is still lacking especially leadership styles of Malaysia business leaders (owner-managers). Conceptually, it was intended to identify entrepreneurial and managerial leadership styles of owner managers. The existing literature supported the argument that entrepreneurial leadership style is relatively more important than managerial leadership styles. Research carried out in non-Western context also suggested the importance of pursuing both managerial and entrepreneurial leadership styles. Data were collected from a sample of 200 companies in Melaka, Johor, Selangor and Negeri Sembilan by adopting mix methodologies of quantitative and qualitative methods.

The findings indicated that the sample consisted of owner-managers with three main leadership orientations, namely; managerial (38.5 percent), entrepreneurial (35 percent), and mix leadership styles (26.5 percent). Financial performance of selected companies showed that about 61 percent of firms have a high or small increase in sales, while about 29 percent of firms reported having high or small decreased in their sales performance. The rest of the 10 percent of firms reported a stable position of financial performance. The examination of the relationship between leadership styles and financial performance revealed that entrepreneurial leadership style is more effective than managerial leadership styles and the mixed leadership style of managerial and entrepreneurial in terms of increasing financial performance. Overall, this study contributes to the theory of leadership styles and performance in the context developing countries. The study also has practical implications for business leaders and owner managers of small and medium scales companies in particular.

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Notes

Note 1: Study was made on four states in Malaysia (south and centre region of Malaysia), Johor, Melaka, Negeri Sembilan and Selangor because the number of company involve in ICT sector for each state is small.

Note 2: GCE is the abbreviation for the General Certificate of Education as an academic qualification and being use in Malaysia. There are two levels in GCE; the Ordinary Level (O Level) and the Advanced Level (A Level).

Appendix A

Johor

- 1 Ab S Solution
- 2 Automation & Control Systems Sdn Bhd
- 3 Axera Technology
- 4 Bel Logistics
- 5 Biforst Johor Bahru Sdn Bhd
- 6 ComCentre Suppliers
- 7 Cynetx Systems & Resources
- 8 Dream Syndicate
- 9 e Systems
- 10 Elite Connections Sdn Bhd
- 11 FISH Solution Enterprise
- 12 Flexi Team Computer Services Sdn Bhd
- 13 Gogobase Sdn Bhd
- 14 I O S Solutions Sdn Bhd
- 15 Inforco Sdn Bhd
- 16 Internic Solutions
- 17 JL Software
- 18 Lynx Tech
- 19 M Intellect Management
- 20 Machin Village Enterprise
- 21 Marvelsoft Solutions (M) Sdn Bhd
- 22 Mercu Zetta Sdn Bhd
- 23 My Internet Multimedia Online
- 24 Optionz Interactive
- 25 P & M Software & Consultancy Centre
- 26 Rambus Solutions
- 27 S Three Computer Software & Hardware
- 28 Se Technology & Enterprise
- 29 Seo Solution Centre
- 30 Sinar Maya Enterprise
- 31 Skv Technology Sdn Bhd
- 32 Smart Linkage
- 33 Standingstone Software Solutions
- 34 Stradex Corporation Sdn Bhd
- 35 Tab Marketing & Enterprise
- 36 Twin Systems
- 37 Webee Design & Hosting
- 38 Wexplorer Network Sdn Bhd

Melaka

- 1 Agile Matrix Solutions Sdn Bhd
- 2 Anjung Technology Sdn Bhd
- 3 Byte Computer Services
- 4 Computer Solution Trio
- 5 Cool Tech Solution
- 6 EZY Computer
- 7 Homi Two U Sdn Bhd
- 8 Hebat Computer & Communication
- 9 ICT Niaga Enterprise
- 10 Inova Solution
- 11 miniMAX Creative Studio
- 12 Ogy Technology
- 13 Phanter Enterprise
- 14 Robocom Solution
- 15 Serai Solutions
- 16 Softnet Marketing

- 17 Starz Tech Solution
- 18 The Java Connection Sdn. Bhd.
- 19 Trax System Design Sdn Bhd
- 20 Veekom Sales & Service
- 21 Yagoo Internet Marketing

Negeri Sembilan

- 1 Eurofine (M) Sdn. Bhd.
- 2 Hasnet Enterprise
- 3 Logica Centre Of Computer & Management Sdn Bhd
- 4 Maximun Energy
- 5 nexsIT
- 6 Nsniaga Technologies
- 7 Puncak Bitara
- 8 Reality Computer Technology Enterprise
- 9 Reboot Services
- 10 RVS Global Net Communication
- 11 Samsara Computer
- 12 Unique Systems And Automation (M) Sdn. Bhd.
- 13 Ureka Solution

Selangor

- 1 Abda Computers And Electronics Sdn. Bhd.
- 2 Abdul & Abdul Technology Sdn Bhd
- 3 Ablelink Dot Com Enterprise
- 4 ABS Altech Business Systems Sdn Bhd
- 5 Acanthus Communications
- 6 Acdra Sdn Bhd
- 7 Ad Verse FX Sdn Bhd
- 8 Ad-Macs Corporate Consultants (M) Sdn Bhd
- 9 Adamas Trading
- 10 Adillah Consulting
- 11 Adroit Data Recovery Centre Sdn Bhd
- 12 Advantis Network & System Sdn Bhd
- 13 Adventech Solutions Sdn Bhd
- 14 Aftech Systems
- 15 Aidan Technologies Sdn. Bhd
- 16 Aimd Tech (M) Sdn Bhd
- 17 Ajwad Resources Sdn Bhd
- 18 Alternate Intelligence Sdn. Bhd.
- 19 Alkemi Teguh Teknologi Sdn Bhd
- 20 Anaqin Malaysia Sdn Bhd
- 21 APAC Venture Sdn. Bhd.
- 22 Apex Hi-Tech Sdn Bhd
- 23 Apexsoft (M) Sdn Bhd
- 24 Arianex (M) Sdn. Bhd.
- 25 ARL Homecomm Sdn Bhd
- 26 Ascendsys Sdn. Bhd.
- 27 Authentic Venture Sdn Bhd
- 28 Belmah Strategies (Malaysia) Sdn. Bhd.
- 29 Best It Care & Services Sdn Bhd
- 30 Bionergy Sdn. Bhd.
- 31 Blue Micro Solutions
- 32 Caidmark Marine Sdn Bhd
- 33 caidmark technology
- 34 Cakerawala Resources Sdn Bhd
- 35 Cambridge Scitek Consulting Sdn Bhd
- 36 Cancas Tech Services
- 37 Cardtrend Systems Sdn Bhd

38	Ccis Integration
39	Cd Technology Solution
40	Cel Solutions (M) Sdn Bhd
41	Chardon Web Resources
42	Chilliworks Interactive Sdn Bhd
43	CII Systems Sdn Bhd
44	Coreplus Solutions Sdn. Bhd.
45	Covalent Technology Sdn Bhd
46	Covista Resources Sdn. Bhd.
47	CSST Resources
48	Cyngus Technologies Sdn Bhd
49	Daitech IT Services
50	Darul Multimedia
51	Dasar Jati Sdn Bhd
52	Dasar-Data Sdn Bhd
53	Data Group Engineering (M) SB
54	DatenLab Sdn Bhd
55	Decimal Point Sdn Bhd
56	DeltaTech Computer Systems & Solutions
57	Delteq (M) Sdn Bhd
58	Desacom Technology
59	Devlab Solutions
60	DGTECH Studio
61	Digital Civilization Sdn Bhd
62	Digital Triumph Sdn. Bhd.
63	DPeers Technology Sdn Bhd
64	DT Business Solutions (M) Sdn Bhd
65	Dsi Systems Sdn Bhd
66	E3 Solutions Sdn Bhd
67	E5000 Systems Sdn Bhd
68	EA Interactive Studios
69	Eagle Reliance Solutions SB
70	Easy Build Your Site Services
71	EC ITRAIN Sdn Bhd
72	eCodeus Consulting Sdn Bhd
73	Edakka IT Solutions
74	Edaran Dinamik Enterprise
75	Edgecomms Sdn Bhd
76	Eighty Eight Network & Communications
77	Elabram Systems Sdn Bhd
78	Elsys Computers Sdn. Bhd.
79	Elsys Technology
80	Emerald ICT Solutions
81	Empirical Systems (M) Sdn. Bhd.
82	Entertop Network
83	Era Solutions MSC Sdn Bhd
84	ETA Network Systems Sdn Bhd
85	Euzer Technologies Sdn Bhd
86	Eyan Solutions
87	Fame E-Services Sdn Bhd
88	Finanet Sdn Bhd
89	FMC Technologies
90	Free Net Business Solutions Sdn Bhd
91	FUNCEL
92	Gapurna Technologies Sdn Bhd
93	GlassHouse Services Sdn Bhd
94	Globalnet Education Consultants Sdn Bhd
95	GME IT
96	Golden Design Technology

97	Great Technology Solution
98	Green Digital System Sdn. Bhd.
99	High Harvesting IT Solutions
100	Horizon Networks
101	Hulk Solutions Sdn Bhd
102	Ibiz Solution
103	Ideatools Technology Sdn Bhd
104	Idyll Vision Enterprise
105	Ieverything Sdn. Bhd.
106	IFS Malaysia R&D Sdn Bhd
107	Imraz Techno (M) Sdn. Bhd.
108	Info Insight (M) Sdn Bhd
109	Info Trek Sdn Bhd
110	Infracom System Sdn. Bhd.
111	Integrated Knowledge and Campus Management Sdn Bhd
112	Intellimicro (M) Sdn Bhd
113	ISEE Golden Technology Sdn. Bhd.
114	Isentric Sdn Bhd
115	IST Smart Technology Sdn Bhd
116	IT Insight Sdn Bhd
117	Jalur Puncak Sdn Bhd
118	JCIT Enterprise
119	JRAZ Technologies Sdn Bhd
120	JT Information Solution
121	Justclickit Sdn Bhd
122	Juzt-Reboot (Malaysia) Sdn Bhd
123	Kroz Stream Enterprise
124	Landasan Network Services(M) Sdn.Bhd
125	Lanvik ICU Sdn Bhd
126	Laserink Sales & Services (M) Sdn Bhd
127	Lemon Giga System Sdn Bhd
128	Linxis S/B

Appendix B

Stevenson's Conceptualization of Entrepreneurial Management

<i>Entrepreneurial Focus</i>	<i>Conceptual Dimension</i>	<i>Administrative Focus</i>
Driven By Perception Of Opportunity	← Strategic Orientation →	Driven By Controlled Re-Resources
Revolutionary With Short Duration	← Commitment To Opportunity →	Evolutionary With Long Duration
Many Stages With Minimal Exposure At Each Stage	← Commitment Of Resources →	A Single Stage With Complete Commitment Out Of Decision
Episodic Use Or Rent Of Required Resources	← Control Of Resources →	Ownership Or Employment Of Required Resources
Flat, With Multiple Informal Networks	← Management Structure →	Hierarchy
Based On Value Creation	← Reward Philosophy →	Based On Responsibility And Seniority
Rapid Growth Is Top Priority; Risk Accepted To Achieve Growth	← Growth Orientation →	Safe, Slow, Steady
Promoting Broad Search For Opportunities	← Entrepreneurial Culture →	Opportunity Search Restricted By Resources Con-Trolled; Failure Punished