Strategic Orientation in Micro Manufacturing Enterprises: A Qualitative Thematic Analysis of Owner-Managers' Perspectives.

Abstract

Micro manufacturing enterprises play a critical role in employment generation, regional industrial development and economic resilience in emerging economies. Despite their economic significance many micro manufacturing firms continue to struggle with limited resources, technological constraints, market uncertainty and increasing competitive pressures. Existing research has predominantly examined strategic orientation using quantitative approaches leaving limited understanding of how strategic orientations are enacted in resource-constrained manufacturing firms. Addressing this gap this study explores the strategic orientations adopted by micro manufacturing enterprises through an in-depth qualitative investigation.

The study employed an interpretivist research philosophy and a multiple-case study design involving eighteen micro manufacturing enterprises operating in the manufacturing sector. Data were collected through semi-structured interviews with owner-managers and analysed using Braun and Clarke's thematic analysis procedure. The findings reveal six interrelated strategic orientation dimensions namely market orientation, entrepreneurial orientation, learning orientation, innovation orientation, technology orientation and cost orientation that collectively influence firms' adaptive capabilities and competitive performance. While market orientation emerged as the dominant strategic priority firms simultaneously relied on entrepreneurial judgement, continuous learning, cost discipline, incremental innovation and selective technology adoption to respond to dynamic market conditions.

The study contributes to the strategic management literature by providing contextual evidence on how strategic orientations are translated into everyday managerial practices within micro manufacturing enterprises. Rather than operating independently, these orientations reinforce one another to enhance organisational adaptability under severe resource constraints. The findings extend strategic orientation theory to the context of emerging-economy micro enterprises and provide practical insights for entrepreneurs, policymakers, and support institutions seeking to strengthen the competitiveness and sustainability of manufacturing micro industries.

Keywords: Strategic Orientation; Micro Manufacturing Enterprises; Thematic Analysis; Market Orientation; Entrepreneurial Orientation; Learning Orientation; Dynamic Capability.

1. Introduction

Micro manufacturing enterprises constitute one of the most significant contributors to industrial development across emerging economies by generating employment, fostering local entrepreneurship, strengthening regional supply chains, and supporting inclusive economic growth. In India the manufacturing sector has increasingly become central to national initiatives promoting industrialisation, self-reliance and sustainable economic development. Micro manufacturing enterprises continue to operate under persistent constraints including limited financial resources, inadequate technological capabilities, restricted managerial expertise, intense market competition and rapidly changing customer expectations. These challenges have become even more pronounced in the post-pandemic business environment, where firms are required to demonstrate greater flexibility, innovation and responsiveness to sustain competitive advantage.

Traditional strategic management research largely explained organisational success through the possession of valuable tangible resources. The contemporary scholarship argues that superior organisational performance depends less on resource ownership and more on the strategic behaviours that guide how organisations acquire, combine and deploy those resources in dynamic environments (Teece et al., 1997; Eisenhardt & Martin, 2000; Winter, 2003). Within this perspective strategic orientation represents the organisational philosophy that shapes managerial decision-making, opportunity recognition, resource allocation, innovation behaviour and market responsiveness (Venkatraman, 1989; Noble et al., 2002; Morgan & Strong, 2003). Rather than being a single organisational capability, strategic orientation encompasses multiple complementary orientations that collectively determine how firms respond to environmental opportunities and threats.

Among these orientations market orientation has consistently been recognised as one of the strongest predictors of organisational success because it enables firms to generate superior customer value through continuous market intelligence generation and responsiveness (Narver & Slater, 1990; Slater & Narver, 2000; Ellis, 2006). Entrepreneurial orientation contributes by encouraging innovativeness, proactiveness and calculated risk-taking that enable firms to identify emerging opportunities before competitors (Lumpkin & Dess, 1996; Rauch et al., 2009; Covin & Wales, 2012). Learning orientation strengthens organisational knowledge creation and continuous improvement allowing firms to adapt to environmental change and develop new competencies (Baker & Sinkula, 1999; Calantone et al., 2002; Hult et al., 2004). In the same way innovation orientation facilitates the development of new products, processes and organisational practices that improve competitiveness (Salomo et al., 2008; Rhee et al., 2010), while technology orientation enhances firms' ability to adopt digital technologies and improve production efficiency (Haug et al., 2020; Brooks et al., 2023). Cost orientation further enables resource-constrained enterprises to improve operational efficiency and maintain competitiveness through effective resource utilisation (Morgan & Strong, 1998).

Although these strategic orientations have received considerable scholarly attention over the past three decades empirical evidence remains heavily dominated by quantitative studies employing structural equation modelling, regression analysis and survey-based research designs (Bergh et al., 2016). Such approaches have substantially advanced theory testing but provide relatively limited understanding of how owner-managers actually interpret, implement and integrate multiple strategic orientations within their day-to-day managerial practices. This limitation is particularly evident among micro manufacturing enterprises. Where managerial decisions are often centralised within owner-managers and shaped by contextual realities that cannot easily be captured through standardised survey instruments.

Recent studies have therefore highlighted the importance of qualitative investigations that explore the behavioural mechanisms underlying strategic decision-making within small firms (Basco et al., 2020; Buccieri & Park, 2022; Raj et al., 2024). Understanding these behavioural processes is especially important because micro manufacturing enterprises differ substantially from larger organisations in terms of resource availability, organisational structure, managerial experience and decision-making flexibility. Their strategic responses often emerge through experiential learning, informal knowledge sharing, customer interactions and entrepreneurial judgement rather than through formal strategic planning systems.

The dynamic capability perspective provides a useful theoretical lens for understanding these organisational behaviours. Dynamic capabilities refer to a firm's ability to sense environmental changes, seize emerging opportunities and continuously reconfigure organisational resources to maintain competitiveness under changing environmental conditions (Teece, 2007; Schilke, 2014). Relatively existing independently, strategic orientations provide the behavioural foundation that enables firms to develop these adaptive capabilities. Market orientation enhances environmental sensing; entrepreneurial orientation facilitates opportunity recognition and exploitation; learning orientation strengthens organisational knowledge acquisition; innovation orientation promotes continuous renewal; technology orientation supports digital adaptation; and cost orientation ensures efficient resource deployment. These orientations collectively enable firms to respond effectively to environmental dynamism despite severe resource constraints (Lin & Wu, 2014; Cao & Weerawardena, 2023; Bornay-Barrachina et al., 2024).

Recent studies have also emphasised that strategic orientations should no longer be examined as isolated constructs. In its place organisations increasingly rely on multiple complementary orientations that interact to produce sustainable competitive advantage (Leonidou et al., 2023; Crick et al., 2024; Le & Ngoc-Khuong, 2024). This integrated perspective is particularly relevant for micro manufacturing enterprises where resource scarcity necessitates balancing customer responsiveness, innovation, technological upgrading, entrepreneurial behaviour, organisational learning and operational efficiency simultaneously.

Despite this growing recognition comparatively little qualitative evidence exists regarding how owner-managers of micro manufacturing enterprises understand and operationalise these multiple strategic orientations within emerging economies. Most existing studies focus either on MSMEs broadly or on quantitative examinations of individual orientations leaving an important gap concerning the lived experiences and strategic practices of micro manufacturers.

The present study seeks to explore the strategic orientations adopted by micro manufacturing enterprises through a thematic analysis of semi-structured interviews with owner-managers.

2. Literature Review

2.1 Strategic Orientation: Conceptual Foundations

Strategic orientation (SO) represents the guiding philosophy that shapes how organisations perceive their external environment, allocate resources, make strategic decisions and pursue competitive advantage. Since Venkatraman (1989) first conceptualised strategic orientation as an organisational strategic posture scholars have recognised it as one of the most influential behavioural determinants of firm performance. Unlike traditional resource-based perspectives that primarily emphasise the possession of valuable resources, strategic orientation focuses on the managerial philosophies and behavioural patterns through which firms identify opportunities respond to environmental change and develop sustainable competitive advantages (Morgan & Strong, 1998; Noble et al., 2002).

Strategic orientation has gradually evolved from being viewed as a single organisational characteristic to a multidimensional construct encompassing complementary strategic behaviours. Contemporary research argues that organisations rarely rely on a single orientation; as an alternative firms integrate multiple strategic orientations that collectively influence organisational adaptability, innovation and long-term competitiveness (Laukkanen et al., 2013; Wang et al., 2015; Leonidou et al., 2023). This integrated perspective is particularly relevant for micro manufacturing enterprises. Where managerial decisions are centralised and strategic actions emerge from the interaction of customer responsiveness, entrepreneurial initiative, organisational learning, technological adaptation, innovation and operational efficiency.

The theoretical foundation of strategic orientation is strongly aligned with the Resource-Based View (RBV) and Dynamic Capability Theory. While the RBV argues that firms achieve competitive advantage through valuable, rare, inimitable and non-substitutable resources (Makadok, 2001; Sirmon et al., 2007), dynamic capability theory extends this perspective by emphasising firms' ability to continuously renew these resources under rapidly changing environmental conditions (Teece et al., 1997; Eisenhardt & Martin, 2000; Teece, 2007). Dynamic capabilities enable firms to sense environmental opportunities, seize market potential and reconfigure organisational resources to sustain competitiveness (Winter, 2003; Schilke, 2014). Strategic orientations provide the behavioural mechanisms through which these adaptive capabilities are developed and deployed.

Recent studies increasingly view strategic orientation as an organisational capability that strengthens resilience under uncertainty rather than merely enhancing short-term performance. In highly dynamic manufacturing environments characterised by technological disruption, changing customer preferences, digital transformation and global competition firms possessing multiple complementary strategic orientations demonstrate greater adaptability, innovation and organisational resilience (Brooks et al., 2023; Rajala & Hautala-Kankaanpää, 2023; Crick et al., 2024). Thus, strategic orientation has become an important theoretical framework for understanding how resource-constrained firms survive and compete in volatile business environments.

2.2 Dimensions of Strategic Orientation

Strategic orientation has been conceptualised differently across studies, six dimensions consistently emerge as particularly relevant for manufacturing enterprises: market orientation, entrepreneurial orientation, learning orientation, innovation orientation, technology orientation, and cost orientation. These dimensions capture together the strategic behaviours that enable firms to create value, respond to environmental change and sustain competitive advantage.

Strategic orientation is widely recognised as a multidimensional organisational capability comprising several complementary orientations that collectively enhance firm competitiveness and adaptability. Market orientation focuses on understanding customer needs, monitoring competitors and responding proactively to market changes to create superior customer value (Narver & Slater, 1990; Slater & Narver, 2000). Entrepreneurial orientation reflects a firm's propensity to innovate, take calculated risks and proactively exploit emerging opportunities (Lumpkin & Dess, 1996; Covin & Wales, 2012). Learning orientation emphasises continuous knowledge acquisition, knowledge sharing and organisational learning to improve adaptability and performance (Baker & Sinkula, 1999; Calantone et al., 2002). Innovation orientation represents a commitment to developing new products, processes and managerial practices that strengthen competitive advantage through continuous improvement and creativity (Hurley & Hult, 1998; Salomo et al., 2008). Technology orientation refers to the adoption and effective utilisation of technological capabilities to enhance operational efficiency, product quality and organisational responsiveness particularly in the context of increasing digitalisation and Industry 4.0 (Haug et al., 2020; Cao & Weerawardena, 2023). The cost orientation focuses on efficient resource utilisation, waste reduction, productivity improvement and prudent financial management to sustain competitiveness under resource constraints (Morgan & Strong, 1998). These strategic orientations together enable micro manufacturing enterprises to develop adaptive capabilities, improve organisational resilience and achieve sustainable competitive performance in dynamic business environments (Chapungu et al., 2022; Leonidou et al., 2023; Raj et al., 2024).

2.4 Research Gap and Contribution

In spite of the growing body of research on strategic orientation important gaps remain in the literature. Existing studies have largely relied on quantitative methods and examined strategic orientations as independent constructs, providing limited insight into how owner-managers implement multiple strategic orientations simultaneously within resource-constrained micro manufacturing enterprises (Bergh et al., 2016; Leonidou et al., 2023; Crick et al., 2024). The empirical evidence from micro manufacturing enterprises in emerging economies remains scarce. Addressing these gaps the present study employs a qualitative thematic analysis to explore how six complementary strategic orientations are enacted in the daily managerial practices of micro manufacturing enterprises thereby providing a deeper behavioural understanding of strategic orientation and extending the existing strategic management literature.

3. Method

This study adopted an interpretivist research philosophy and an exploratory qualitative multiple-case study design to examine how strategic orientations are enacted within micro manufacturing enterprises. The interpretivist approach was considered appropriate because

strategic orientation is a socially constructed and context-dependent phenomenon that is best understood through the experiences and perceptions of owner-managers rather than objective quantitative measurement (Lincoln & Guba, 1985; Saunders et al., 2019). Data were collected through semi-structured interviews, allowing participants to discuss their strategic decision-making, business practices, and responses to environmental challenges in depth. The interview guide was developed from the strategic orientation literature and covered six dimensions: market orientation, entrepreneurial orientation, learning orientation, innovation orientation, technology orientation, and cost orientation. The interviews lasted between 45 and 70 minutes, were audio-recorded with participants' consent, transcribed verbatim, and supplemented with field notes to improve contextual understanding.

A purposive sampling strategy was employed to select participants who possessed extensive knowledge of strategic and operational decision-making within their enterprises. The selection criteria required firstly, participants to be owners or primary decision-makers. Secondly, participant must possess at least three years of manufacturing experience and third the participant must be willing to participate in detailed interviews. The final sample comprised 18 owner-managers from micro manufacturing enterprises located in Uttar Dinajpur district, West Bengal, India representing diverse manufacturing sectors including food and agro processing, jute and textile, wood and fibre-based industries, heavy engineering, clay and ceramics, plastics and rubber, chemicals and petrochemicals and miscellaneous manufacturing industries. The majority of participants were male entrepreneurs aged between 41 and 50 years although female owner-managers were also represented. Most participants possessed graduate or postgraduate qualifications and had between 6 and 15 years of prior employment experience ensuring rich managerial insights into strategic decision-making. To maintain confidentiality, each participant was assigned a unique identifier (MP-01 to MP-18), where MP denotes Micro Enterprise Participant and the numerical suffix represents the interview sequence. These identifiers are used throughout the findings when presenting verbatim quotations while preserving participant anonymity. The interview data were analysed using Braun and Clarke's (2006) six-phase thematic analysis, and the trustworthiness of the findings was ensured through the credibility, transferability, dependability and confirmability criteria proposed by Lincoln and Guba (1985). Ethical principles were maintained by obtaining informed consent, ensuring voluntary participation, and protecting participant confidentiality throughout the research process.

4. Result

The thematic analysis identified six interrelated strategic orientations that collectively shape the competitive behaviour of micro manufacturing enterprises: market orientation, entrepreneurial orientation, learning orientation, innovation orientation, technology orientation and cost orientation. Rather than functioning independently, these orientations reinforce one another and enable firms to respond effectively to changing customer demands, resource limitations, and competitive pressures. Figure-1 summarises the thematic structure emerging from the qualitative analysis.

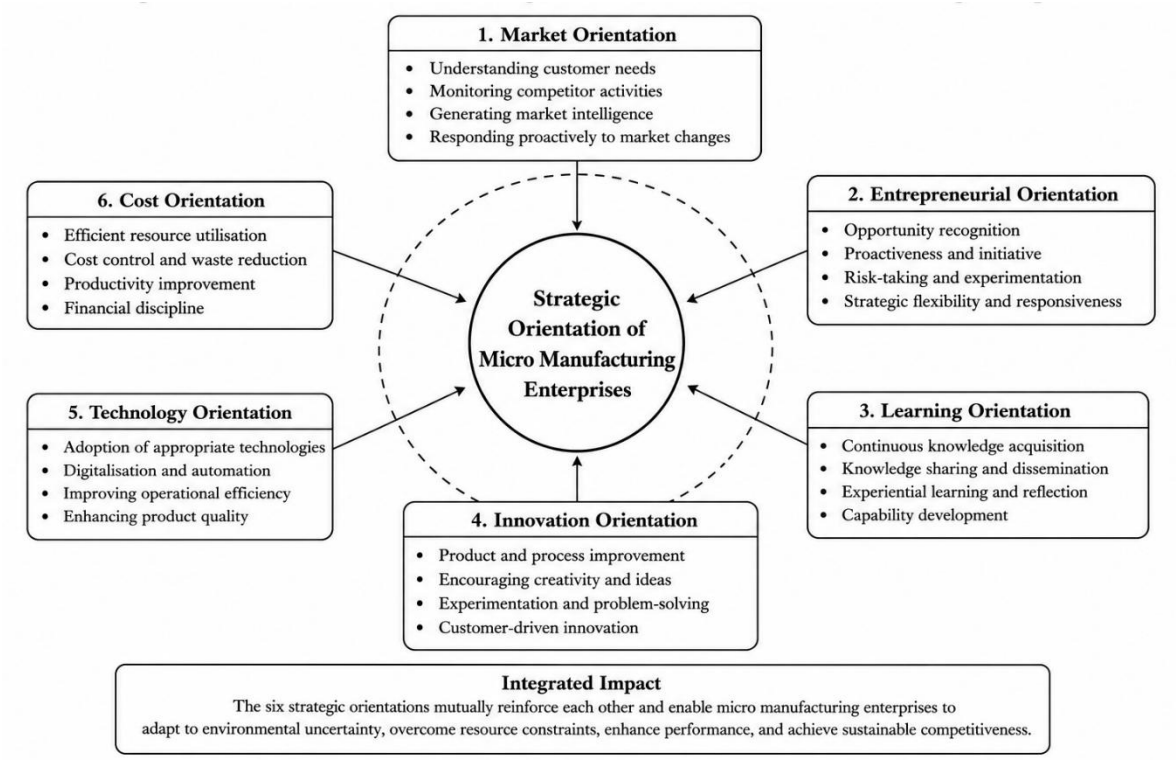

Figure- 1.Thematic structure of Strategic Orientation in Micro manufacturing enterprises

4.1 Market Orientation: Building Competitiveness through Customer-Centred Responsiveness

Market orientation emerged as the most prominent strategic orientation among the participating micro manufacturing enterprises. Owner-managers consistently emphasised that understanding customer needs maintaining close relationships with buyers, monitoring competitors and responding quickly to changing market preferences formed the basis of their business strategies. Unlike larger organisations that rely on formal market research systems these enterprises generated market intelligence through direct interactions with customers, suppliers, distributors and local business networks enabling rapid strategic adjustments.

One of the participants explained that *"Our customers are our biggest source of information. We talk to them regularly, understand what they need, and modify our products accordingly. If customers are satisfied, they come back and also recommend us to others."* (Participant M5)

This finding suggests that market orientation extends beyond customer satisfaction to continuous customer engagement and value creation supporting the work of Narver and Slater (1990) and Slater and Narver (2000). Participants also emphasised the importance of monitoring competitors to understand market trends and improve strategic decisions. *"Whenever a competitor launches a new product or changes prices, we immediately analyse the market response before deciding whether we also need to make changes."* (Participant M11)

Competitor intelligence complemented customer knowledge by improving market responsiveness, consistent with Ellis (2006).

The analysis further showed that owner-managers could respond rapidly to customer requirements because decision-making was highly centralised. Their small organisational size enabled immediate modifications to products and production processes. *"Customers often ask for small modifications. Since we are a small unit, we can immediately change the design or production process without waiting for approvals."* (Participant M2)

This organisational flexibility represents a competitive advantage for micro enterprises and supports recent findings that agility enhances responsiveness under resource constraints (Chapungu et al., 2022; Leonidou et al., 2023). Customer feedback also emerged as an important source of organisational learning and product improvement. *"Whenever customers complain, we don't see it as criticism. It helps us understand where we need to improve. Most of our improvements actually come from customer feedback."* (Participant M14)

The findings indicate that customer knowledge facilitates continuous improvement and organisational learning, reinforcing the arguments of Baker and Sinkula (1999) and Calantone et al. (2002). Relationship quality was another recurring theme. Participants believed that trust, consistent product quality and reliable delivery strengthened long-term customer loyalty. *"We may not always offer the lowest price, but customers trust our quality and delivery commitments. That trust keeps them with us."* (Participant M8)

This finding supports relationship-based perspectives of market orientation, where long-term customer relationships strengthen organisational resilience and competitiveness (Gnizy et al., 2014; Wang et al., 2015). The participants explained that continuous customer interaction enabled them to identify emerging opportunities and diversify their products. *"Earlier we produced only one type of product. After talking with customers, we realised there was demand for customised products. Today almost half of our sales come from customised orders."* (Participant M17)

This demonstrates that customer interaction functions as an environmental sensing mechanism, enabling firms to recognise opportunities and adapt their products accordingly, consistent with Dynamic Capability Theory (Teece, 2007).

4.2 Entrepreneurial Orientation: Recognising Opportunities and Taking Calculated Risks

Entrepreneurial orientation emerged as a key strategic orientation through which owner-managers identified new opportunities, responded proactively to market changes and pursued business growth despite resource constraints. Participants described entrepreneurship as involving calculated risk-taking, flexibility, experimentation and continuous search for new market opportunities rather than relying on formal strategic planning. Participant described here that *"We never wait for opportunities to come. Whenever we see demand for a new product or market, we try to explore it before others."* (Participant M7)

This finding reflects the proactive and opportunity-seeking nature of entrepreneurial orientation proposed by Lumpkin and Dess (1996) and Covin and Wales (2012). Participants also emphasised that calculated risk-taking was essential for business survival. *"Every business decision involves some risk, but if we never take risks, we cannot grow."* (Participant M15)

The owner-managers carefully evaluated potential benefits before investing rather than avoiding uncertainty, consistent with Rauch et al. (2009). Business flexibility was another recurring theme. *"Being small helps us because we can quickly change products or production whenever the market changes."* (Participant M4)

Such flexibility enabled rapid responses to changing customer demands and competitive pressures, supporting Anderson et al. (2015). Participants further highlighted continuous opportunity recognition. *"Whenever customers ask for something new, we see it as an opportunity instead of a problem."* (Participant M12)

Customer interactions therefore stimulated entrepreneurial action and business expansion. They also viewed experimentation as an important source of growth.*"Not every new idea succeeds, but every attempt teaches us something useful."* (Participant M9)

This illustrates how experimentation strengthened organisational learning and capability development. The entrepreneurial orientation was characterised by proactive opportunity recognition, calculated risk-taking, strategic flexibility and continuous experimentation. These behaviours enabled firms to exploit emerging opportunities and strengthen organisational adaptability, consistent with Dynamic Capability Theory (Teece, 2007).

4.3 Learning Orientation: Building Adaptive Capability through Continuous Learning

Learning orientation emerged as a fundamental capability supporting organisational improvement and long-term competitiveness. Participants described learning as a continuous process driven by experience, customer interactions, supplier relationships, and employee participation rather than formal training programmes. One participant further enlightened the fact that *"Every day we learn something new from customers, suppliers, or even from our own mistakes. If we stop learning, we will eventually stop growing."* (Participant M6)

This finding supports Baker and Sinkula (1999), who argue that learning-oriented firms continuously acquire and apply knowledge to improve performance. Experiential learning was particularly important. *"Many things cannot be learned from books. We have learned through experience sometimes by making mistakes but every mistake teaches us how to improve the next time."* (Participant M10)

Learning through experience strengthened managerial capability and organisational adaptability (Hult et al., 2004). Employees also contributed significantly to organisational learning. *"Our workers know the machines better than anyone. Whenever they suggest improvements, we listen carefully because many of our process improvements come from their practical experience."* (Participant M1)

This demonstrates the importance of collaborative learning within small firms (Bornay-Barrachina et al., 2024). Customer feedback further enhanced organisational learning. *"When customers tell us something is wrong, we don't ignore it. We discuss it with our team, identify the cause, and make improvements."* (Participant M13) Customer knowledge therefore became an important source of continuous improvement (Calantone et al., 2002). Participants also emphasised continuous improvement. *"We always ask ourselves whether there is a better way to produce, save time, reduce waste, or improve quality."* (Participant M5)

Learning orientation thus strengthened adaptive capability through continuous knowledge acquisition, organisational reflection, and incremental improvement, supporting Dynamic Capability Theory (Teece, 2007).

4.4 Innovation Orientation: Sustaining Competitiveness through Continuous Improvement

Innovation orientation was reflected primarily through incremental product improvements, process optimisation, customer-driven customisation, and practical problem-solving rather than radical technological innovation. Participants regarded innovation as an ongoing process embedded in everyday operations. Participant(owner-manager) described further, *"Innovation does not always mean introducing a completely new product. Sometimes improving an existing product or making production faster creates greater value."* (Participant M8)

This finding supports Salomo et al. (2008), who argue that incremental innovation can generate sustainable competitive advantage. Customer customisation emerged as an important form of innovation. *"Every customer has different requirements. Instead of saying that something cannot be done, we try to redesign the product."* (Participant M14)

Innovation therefore evolved directly from customer interaction (Attuahene-Gima & Ko, 2001). Participants also emphasised process innovation. *"We regularly review our production process to identify where time or materials are being wasted."* (Participant M2)

Incremental process improvements enhanced efficiency while reducing operational costs. Employee participation further supported innovation. *"Many of our best ideas come from employees who work directly on the production line."* (Participant M11)

Collaborative problem-solving strengthened innovation capability (Bornay-Barrachina et al., 2024). Innovation was typically introduced gradually. *"Whenever we introduce a new idea, we first test it in a limited quantity before expanding production."* (Participant M17)

This iterative approach reduced uncertainty while facilitating organisational learning.

4.5 Technology Orientation: Improving Efficiency through Appropriate Technology

Technology orientation reflected the selective adoption of technologies that improved production efficiency, product quality, and operational flexibility. Participants emphasised investing only in technologies that generated practical business value. One participant stated, *"We do not purchase technology simply because it is new. We invest only when it helps us improve production or reduce costs."* (Participant M6)

Technology adoption was therefore guided by strategic necessity rather than technological trends (Haug et al., 2020). Equipment upgrades improved manufacturing performance. *"After replacing some equipment, production became faster, product quality improved, and customers noticed the difference."* (Participant M12)

"Now we use digital systems for orders, payments, inventory, and communication. It saves time and reduces mistakes." (Participant M15)

Digitalisation improved organisational efficiency and responsiveness (Rajala & Hautala-Kankaanpää, 2023). Technology also enhanced product quality. *"New equipment helps us*

produce more accurately. Better precision means fewer complaints from customers." (Participant M3)

The participants emphasised that technology required employee capability development. *"Buying a new machine is not enough. Workers must understand how to operate it properly."* (Participant M9)

Technology orientation therefore depended on both technological investment and organisational learning. The technology orientation strengthened operational efficiency, production quality, and organisational flexibility while supporting broader strategic capability development.

4.6 Cost Orientation: Achieving Competitiveness through Resource Efficiency

Cost orientation emerged as an important strategy for sustaining competitiveness through efficient resource utilisation, waste reduction, productivity improvement, and financial discipline. Participants consistently viewed cost management as improving efficiency rather than simply reducing expenditure. Participant further explained; *"Reducing costs does not mean using poor-quality materials. It means producing efficiently so that we can offer competitive prices without sacrificing quality."* (Participant M4)

This finding supports Morgan and Strong (1998), who conceptualise cost orientation as efficient resource management. Resource optimisation was emphasised throughout the interviews. *"Every piece of raw material is important because wastage directly affects our profit."* (Participant M13)

Waste reduction strengthened productivity and profitability. *"Small amounts of waste may seem insignificant each day, but over the year they become a major cost."* (Participant M2)

Participants also highlighted careful inventory management. *"Keeping too much inventory blocks our money, but keeping too little affects production."* (Participant M16)

Productivity improvement was another recurring theme. *"We continuously evaluate how production can be completed more efficiently."* (Participant M7)

Finally, owner-managers viewed cost savings as enabling future investments. *"When we save costs through efficient production, we can invest that money in better machinery, employee training, or developing new products."* (Participant M18)

This demonstrates that cost orientation complements the other strategic orientations by providing financial flexibility for organisational development.

The six themes collectively reveal that strategic orientation in micro manufacturing enterprises is best understood as an integrated system of complementary strategic behaviours rather than a collection of independent orientations. Market orientation strengthens environmental sensing, entrepreneurial orientation facilitates opportunity exploitation, learning orientation builds organisational knowledge, innovation orientation drives continuous renewal, technology orientation enhances operational capability, and cost orientation ensures efficient resource utilisation. Together, these orientations create the behavioural foundation through which micro manufacturing enterprises develop adaptive capabilities and sustain competitive performance under conditions of resource scarcity and environmental uncertainty.

5. Discussion

This study explored how strategic orientations are enacted within micro manufacturing enterprises through a qualitative thematic analysis of owner-managers' experiences. Unlike previous studies that have largely relied on quantitative approaches this research provides deeper insight into how multiple strategic orientations are translated into everyday managerial practices under resource constraints. The findings demonstrate that market, entrepreneurial, learning, innovation, technology and cost orientations operate as complementary behavioural capabilities that collectively enhance adaptability, competitiveness and organisational performance.

Market orientation emerged as the foundation of strategic behaviour with participants emphasising customer relationships, competitor awareness and continuous market interaction as key sources of strategic information. Unlike large firms that rely on formal market intelligence systems, micro enterprises develop market responsiveness through informal interpersonal relationships and direct customer engagement. This extends the work of Narver and Slater (1990) and Slater and Narver (2000) by demonstrating how market orientation functions as an adaptive capability within resource-constrained firms (Chapungu et al., 2022; Leonidou et al., 2023).

Entrepreneurial orientation was identified as the mechanism through which firms transform opportunities into strategic actions. Owner-managers demonstrated proactive behaviour, calculated risk-taking, and flexibility despite financial limitations. Though different studies that conceptualise entrepreneurial orientation as a stable organisational characteristic this research reveals that entrepreneurial behaviour in micro enterprises is highly experiential and shaped by accumulated knowledge, customer interaction and managerial judgement (Lumpkin & Dess, 1996; Covin & Wales, 2012; Raj et al., 2024).

Learning orientation emerged as the knowledge foundation supporting organisational adaptation. Participants highlighted learning through experience, customer feedback, supplier relationships and employee involvement rather than formal training systems. These findings reinforce previous research showing that learning capability enhances innovation, strategic flexibility and organisational renewal (Baker & Sinkula, 1999; Calantone et al., 2002; Bornay-Barrachina et al., 2024).

The findings further indicate that innovation orientation among micro manufacturing enterprises is primarily incremental rather than radical. Product modification, process improvement, customer-driven customisation and employee-generated solutions represented the dominant innovation practices. Thus, innovation occurs as a continuous renewal process emerging from the interaction of market knowledge, learning capability and entrepreneurial experimentation (Salomo et al., 2008; Brooks et al., 2023).

Technology orientation was found to strengthen operational efficiency, product quality and organisational flexibility. The participants while adopted technology selectively focusing on practical applications such as production improvement, digital communication, inventory management and quality control. The findings suggest that technology creates competitive value only when integrated with learning, innovation and market-oriented capabilities rather than through adoption alone (Haug et al., 2020; Cao & Weerawardena, 2023).

Cost orientation also emerged as an enabling capability rather than merely an efficiency strategy. Owner-managers viewed cost management as a means of improving resource utilisation, reducing waste and creating financial flexibility for future investments in technology, innovation and capability development. This extends previous perspectives on cost orientation by demonstrating its role in supporting strategic renewal (Morgan & Strong, 1998; Correggi et al., 2024).

The findings also extend the Resource-Based View by showing that micro manufacturing enterprises achieve competitive advantage not primarily through superior tangible resources but through the effective orchestration of intangible behavioural capabilities. Customer knowledge, entrepreneurial judgement, learning routines, innovation capability, technological adaptation and resource efficiency represent valuable and difficult-to-imitate strategic assets (Makadok, 2001; Sirmon et al., 2007).

This study contributes to strategic management literature in three ways. First, it provides qualitative evidence explaining how strategic orientations are enacted within micro manufacturing enterprises. Second, it develops an integrated perspective showing that multiple orientations jointly strengthen adaptive capability and competitiveness. Third, it extends strategic orientation research to resource-constrained manufacturing enterprises in emerging economies, a context that remains comparatively underexplored.

6. Conclusion

This study examined the strategic orientations adopted by micro manufacturing enterprises through qualitative thematic analysis of owner-managers' experiences. The findings identified six interconnected strategic orientations; market orientation, entrepreneurial orientation, learning orientation, innovation orientation, technology orientation and cost orientation that collectively influence how firms respond to environmental challenges, utilise limited resources, improve operational efficiency and sustain competitiveness.

The study highlights that strategic orientation is not merely a formal strategic choice but a behavioural process embedded in everyday managerial practices. Owner-managers integrate customer knowledge, entrepreneurial judgement, continuous learning, innovation efforts, technological improvements and cost efficiency to enhance organisational adaptability. The findings further demonstrate that these orientations function as complementary capabilities rather than independent constructs, enabling firms to sense environmental changes, exploit opportunities, develop new knowledge, and reconfigure resources effectively.

By providing qualitative evidence from resource-constrained manufacturing enterprises the study strengthens Dynamic Capability Theory by explaining how strategic orientations facilitate continuous adaptation under uncertain conditions. It also extends the Resource-Based View by emphasising that intangible capabilities, such as knowledge, innovation and managerial competencies, represent critical sources of sustainable competitive advantage. Inclusively the study contributes to both theory and practice by offering a deeper understanding of how micro manufacturing enterprises build strategic resilience and long-term competitiveness in emerging economies.

Acknowledgements

The authors sincerely thank all the owner-managers of the micro manufacturing enterprises who generously participated in this study and shared their valuable experiences and insights. Their cooperation and openness were instrumental in the successful completion of this research. The authors also express their gratitude to the Department of Management, Raiganj University, for its academic support and encouragement throughout the research process.

References:

Anderson, B. S., Kreiser, P. M., Kuratko, D. F., Hornsby, J. S., & Eshima, Y. (2015). Reconceptualizing entrepreneurial orientation. *Strategic Management Journal*, *36*(10), 1579–1596. https://doi.org/10.1002/smj.2298

Atuahene-Gima, K., & Ko, A. (2001). An empirical investigation of the effect of market orientation and entrepreneurship orientation alignment on product innovation. *Organization Science*, *12*(1), 54–74. https://doi.org/10.1287/orsc.12.1.54.10121

Baker, W. E., & Sinkula, J. M. (1999). The synergistic effect of market orientation and learning orientation on organizational performance. *Journal of the Academy of Marketing Science*, *27*(4), 411–427. https://doi.org/10.1177/0092070399274002

Basco, R., Hernández-Perlines, F., & Rodríguez-García, M. (2020). The effect of entrepreneurial orientation on firm performance: A multigroup analysis comparing China, Mexico, and Spain. *Journal of Business Research*, *113*, 409–421. https://doi.org/10.1016/j.jbusres.2019.09.020

Bergh, D. D., Aguinis, H., Heavey, C., Ketchen, D. J., Boyd, B. K., Su, P., Lau, C. L. L., & Joo, H. (2016). Using meta-analytic structural equation modeling to advance strategic management research: Guidelines and an empirical illustration via the strategic leadership-performance relationship. *Strategic Management Journal*, *37*(3), 477–497. https://doi.org/10.1002/smj.2338

Bornay-Barrachina, M., López-Cabrales, Á., & Salas-Vallina, A. (2025). Sensing, seizing, and reconfiguring dynamic capabilities in innovative firms: Why does strategic leadership make a difference? *BRQ Business Research Quarterly*, *28*(2), 399–420. https://doi.org/10.1177/23409444231185790

Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in Psychology*, *3*(2), 77–101. https://doi.org/10.1191/1478088706qp063oa

Brooks, S., Sahaym, A., Datta, A., & Srivastava, S. (2023). Risky combination: The role of managerial perceptions of social media use and entrepreneurial orientation on SME innovation. *Management Decision*, *61*(1), 33–56. https://doi.org/10.1108/MD-03-2021-0385

Buccieri, D., & Park, J. (2022). Entrepreneurial marketing and reconfiguration towards post-entry performance: Moderating effects of market dynamism and entry mode. *Journal of Business Research*, *148*, 89–100. https://doi.org/10.1016/j.jbusres.2022.04.053

Calantone, R. J., Cavusgil, S. T., & Zhao, Y. (2002). Learning orientation, firm innovation capability, and firm performance. *Industrial Marketing Management*, *31*(6), 515–524. https://doi.org/10.1016/S0019-8501(01)00203-6

Cao, G., & Weerawardena, J. (2023). Strategic use of social media in marketing and financial performance: The B2B SME context. *Industrial Marketing Management*, *111*, 41–54. https://doi.org/10.1016/j.indmarman.2023.03.007

Chapungu, L., Nhamo, G., Chikodzi, D., & Maoela, M. A. (2022). Brics and the race to net-zero emissions by 2050: Is covid-19 a barrier or an opportunity? *Journal of Open*

Innovation: Technology, Market, and Complexity, *8*(4), 172. https://doi.org/10.3390/joitmc8040172

Correggi, C., Di Toma, P., & Ghinoi, S. (2024). Rethinking dynamic capabilities in light of sustainability: A bibliometric analysis. *Business Strategy and the Environment*, *33*(8), 7990–8016. https://doi.org/10.1002/bse.3901

Covin, J. G., & Wales, W. J. (2012). The measurement of entrepreneurial orientation. *Entrepreneurship Theory and Practice*, *36*(4), 677–702. https://doi.org/10.1111/j.1540-6520.2010.00432.x

Crick, J. M., Friske, W., & Morgan, T. A. (2024). The relationship between coopetition strategies and company performance under different levels of competitive intensity, market dynamism, and technological turbulence. *Industrial Marketing Management*, *118*, 56–77. https://doi.org/10.1016/j.indmarman.2024.02.005

Eisenhardt, K. M., & Martin, J. A. (2000). Dynamic capabilities: What are they? *Strategic Management Journal*, *21*(10–11), 1105–1121. https://doi.org/10.1002/1097-0266(200010/11)21:10/11%3C1105::AID-SMJ133%3E3.0.CO;2-E

Ellis, P. D. (2006). Market orientation and performance: A meta-analysis and cross-national comparisons*. *Journal of Management Studies*, *43*(5), 1089–1107. https://doi.org/10.1111/j.1467-6486.2006.00630.x

Gnizy, I., E. Baker, W., & Grinstein, A. (2014). Proactive learning culture: A dynamic capability and key success factor for SMEs entering foreign markets. *International Marketing Review*, *31*(5), 477–505. https://doi.org/10.1108/IMR-10-2013-0246

Haug, A., Adsbøll Wickstrøm, K., Stentoft, J., & Philipsen, K. (2023). The impact of information technology on product innovation in SMEs: The role of technological orientation. *Journal of Small Business Management*, *61*(2), 384–410. https://doi.org/10.1080/00472778.2020.1793550

Hult, G. T. M., Hurley, R. F., & Knight, G. A. (2004). Innovativeness: Its antecedents and impact on business performance. *Industrial Marketing Management*, *33*(5), 429–438. https://doi.org/10.1016/j.indmarman.2003.08.015

Hurley, R. F., & Hult, G. T. M. (1998). Innovation, market orientation, and organizational learning: An integration and empirical examination. *Journal of Marketing*, *62*(3), 42–54. https://doi.org/10.1177/002224299806200303

Laukkanen, T., Nagy, G., Hirvonen, S., Reijonen, H., & Pasanen, M. (2013). The effect of strategic orientations on business performance in SMEs: A multigroup analysis comparing Hungary and Finland. *International Marketing Review*, *30*(6), 510–535. https://doi.org/10.1108/IMR-09-2011-0230

Le, T.-H., & Ngoc-Khuong, M. (2025). Fostering SME‘s organizational effectiveness through strategic orientations, learning capability, and innovation. *Journal of Small Business Management*, *63*(1), 249–278. https://doi.org/10.1080/00472778.2024.2312390

Leonidou, L. C., Eteokleous, P. P., Christodoulides, P., & Strømfeldt Eduardsen, J. (2023). A dynamic capabilities perspective to socially responsible family business: Implications on social-based advantage and market performance. *Journal of Business Research*, *155*, 113390. https://doi.org/10.1016/j.jbusres.2022.113390

Lin, Y., & Wu, L.-Y. (2014). Exploring the role of dynamic capabilities in firm performance under the resource-based view framework. *Journal of Business Research*, *67*(3), 407–413. https://doi.org/10.1016/j.jbusres.2012.12.019

Lincoln, Y. S., & Guba, E. G. (1985). *Naturalistic Inquiry*. Beverly Hills, CA: Sage Publications.

Lumpkin, G. T., & Dess, G. G. (1996). Clarifying the entrepreneurial orientation construct and linking it to performance. *The Academy of Management Review*, *21*(1), 135.

https://doi.org/10.2307/258632
Makadok, R. (2001). Toward a synthesis of the resource-based and dynamic-capability views of rent creation. *Strategic Management Journal*, *22*(5), 387–401. https://doi.org/10.1002/smj.158
Morgan, R. E., & Strong, C. A. (1998). Market orientation and dimensions of strategic orientation. *European Journal of Marketing*, *32*(11/12), 1051–1073. https://doi.org/10.1108/03090569810243712
Morgan, R. E., & Strong, C. A. (2003). Business performance and dimensions of strategic orientation. *Journal of Business Research*, *56*(3), 163–176. https://doi.org/10.1016/S0148-2963(01)00218-1
Narver, J. C., & Slater, S. F. (1990). The effect of a market orientation on business profitability. *Journal of Marketing*, *54*(4), 20–35. https://doi.org/10.1177/002224299005400403
Noble, C. H., Sinha, R. K., & Kumar, A. (2002). Market orientation and alternative strategic orientations: A longitudinal assessment of performance implications. *Journal of Marketing*, *66*(4), 25–39. https://doi.org/10.1509/jmkg.66.4.25.18513
Raj, A., Shukla, D., Quadir, A., & Sharma, P. (2024). What drives the adoption of digital technology in the micro, small, and medium enterprises sector in a developing economy? *Journal of Business & Industrial Marketing*, *39*(9), 1984–2002. https://doi.org/10.1108/JBIM-09-2023-0512
Rajala, A., & Hautala-Kankaanpää, T. (2023). Exploring the effects of SMEs' platform-based digital connectivity on firm performance – the moderating role of environmental turbulence. *Journal of Business & Industrial Marketing*, *38*(13), 15–30. https://doi.org/10.1108/JBIM-01-2022-0024
Rauch, A., Wiklund, J., Lumpkin, G. T., & Frese, M. (2009). Entrepreneurial orientation and business performance: An assessment of past research and suggestions for the future. *Entrepreneurship Theory and Practice*, *33*(3), 761–787. https://doi.org/10.1111/j.1540-6520.2009.00308.x
Rhee, J., Park, T., & Lee, D. H. (2010). Drivers of innovativeness and performance for innovative SMEs in South Korea: Mediation of learning orientation. *Technovation*, *30*(1), 65–75. https://doi.org/10.1016/j.technovation.2009.04.008
Salomo, S., Talke, K., & Strecker, N. (2008). Innovation field orientation and its effect on innovativeness and firm performance. *Journal of Product Innovation Management*, *25*(6), 560–576. https://doi.org/10.1111/j.1540-5885.2008.00322.x
Saunders, M., Thornhill, A., & Lewis, P. (2019). *Research methods for business students* (Eigth Edition). Pearson.
Schilke, O. (2014). On the contingent value of dynamic capabilities for competitive advantage: The nonlinear moderating effect of environmental dynamism. *Strategic Management Journal*, *35*(2), 179–203. https://doi.org/10.1002/smj.2099
Sirmon, D. G., Hitt, M. A., & Ireland, R. D. (2007). Managing firm resources in dynamic environments to create value: Looking inside the black box. *Academy of Management Review*, *32*(1), 273–292. https://doi.org/10.5465/amr.2007.23466005
Slater, S. F., & Narver, J. C. (2000). The positive effect of a market orientation on business profitability. *Journal of Business Research*, *48*(1), 69–73. https://doi.org/10.1016/S0148-2963(98)00077-0
Teece, D. J. (2007). Explicating dynamic capabilities: The nature and microfoundations of (Sustainable) enterprise performance. *Strategic Management Journal*, *28*(13), 1319–1350. https://doi.org/10.1002/smj.640
Teece, D. J., Pisano, G., & Shuen, A. (1997). Dynamic capabilities and strategic management. *Strategic Management Journal*, *18*(7), 509–533.

https://doi.org/10.1002/(SICI)1097-0266(199708)18:7%3C509::AID-SMJ882%3E3.0.CO;2-Z

Venkatraman, N. (1989). Strategic orientation of business enterprises: The construct, dimensionality, and measurement. *Management Science*, *35*(8), 942–962. https://doi.org/10.1287/mnsc.35.8.942

Wang, C. L., Senaratne, C., & Rafiq, M. (2015). Success traps, dynamic capabilities and firm performance. *British Journal of Management*, *26*(1), 26–44. https://doi.org/10.1111/1467-8551.12066

Winter, S. G. (2003). Understanding dynamic capabilities. *Strategic Management Journal*, *24*(10), 991–995. https://doi.org/10.1002/smj.318