

**คุณลักษณะส่วนบุคคลและสมรรถภาพ: บทบาทการเป็นตัวแปรคั่นกลาง
ของการรับรู้ความสามารถของตนเอง**
Personal Characteristics and Performance: Mediating Role of Self Efficacy

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บทคัดย่อ

การศึกษานี้จัดทำขึ้นเพื่อตรวจสอบผลกระทบโดยตรงของคุณลักษณะส่วนบุคคล ได้แก่ แรงจูงใจในการบรรลุเป้าหมาย การตั้งเป้าหมาย และประสบการณ์ ต่อผลการดำเนินงานของวิสาหกิจขนาดกลางและขนาดย่อมในประเทศไทย นอกจากนี้ การศึกษานี้ยังได้ตรวจสอบผลกระทบโดยตรงของการรับรู้ความสามารถของตนเองที่มีต่อผลการดำเนินงานของวิสาหกิจขนาดกลางและขนาดย่อม ในท้ายที่สุด การศึกษานี้ได้ตรวจสอบบทบาทการเป็นตัวแปรคั่นกลางของการรับรู้ความสามารถของตนเองในความสัมพันธ์ระหว่างคุณลักษณะส่วนบุคคลและสมรรถภาพของวิสาหกิจขนาดกลางและขนาดย่อม กรอบทฤษฎีที่ได้รับการพัฒนาในการศึกษาก่อนหน้าต่างๆ และทฤษฎีความต้องการประสบความสำเร็จเป็นรากฐานทางทฤษฎีสำหรับการศึกษานี้ ดังนั้น จึงยืนยันได้ว่าแรงจูงใจใฝ่สัมฤทธิ์เป็นหนึ่งในองค์ประกอบที่จำเป็นสำหรับผู้ประกอบการ การสร้างแบบจำลองสมการโครงสร้างกำลังสองถดถอยน้อยที่สุดบางส่วน ถูกนำมาใช้และเพื่อจุดประสงค์นั้น เราจึงใช้ Smart PLS 3.0 ผลที่ได้รับจากการวิเคราะห์สอดคล้องกับความต้องการทฤษฎีความต้องการประสบความสำเร็จ เป็นการบ่งชี้ว่าสมรรถนะระดับปัจเจกบุคคลได้รับอิทธิพลเชิงบวกจากแรงจูงใจใฝ่สัมฤทธิ์ เนื่องจากความสัมพันธ์เชิงบวกที่มีอยู่ระหว่างสมรรถนะขององค์กรและแรงจูงใจใฝ่สัมฤทธิ์ ในระดับปัจเจกบุคคล ทฤษฎีการตั้งเป้าหมายก็สนับสนุนความสัมพันธ์นี้เช่นกัน ทฤษฎีการตั้งเป้าหมายเป็นพื้นฐานทางทฤษฎีสำหรับการค้นพบเหล่านี้ เช่น ผลของการตั้งเป้าหมายที่มีต่อสมรรถภาพ

คำสำคัญ: คุณลักษณะส่วนบุคคล แรงจูงใจใฝ่สัมฤทธิ์ การตั้งเป้าหมาย ประสบการณ์ การรับรู้ความสามารถของตนเอง

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ABSTRACT

The study was planned to examine the direct impact of personal characteristics namely achievement motivating, goal settings, and experience on performance of SMEs in Thailand. In addition to that the study has also examined the direct impact of self-efficacy on the SME performance. Finally, the study has examined the mediating role of self-efficacy in the relationship between the personal characteristics and SME performance. The theoretical frameworks that were developed in various prior studies and the need for achievement theory offer theoretical foundation for this study, and thus confirm that achievement motivation is one of the essential elements for the entrepreneurs. Partial Least Square Structural Equation Modeling (PLS-SEM) was employed and for that purpose we used the Smart PLS 3.0. The results obtained from the analysis were in line with the need for achievement theory. It indicates that individual level performance is positively influenced by achievement motivation due to the positive relationship that exists between organizational performance and achievement motivation. At individual level, the goal setting theory also supports this relationship. The goal setting theory provides a theoretical foundation for these findings i.e. effects of goals setting on performance.

Keywords: Personal Characteristics, Achievement Motivating, Goal Settings, Experience, Self-Efficacy

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1. Introduction

Over the years, a number of researchers and policy makers have addressed the low performance issue in SMEs (Laguir & Besten, 2016; Muneer & Ahmad, 2017). In this regard, several studies have been conducted to discover the potential means to increase the SMEs performance. Correspondingly, a large number of scholars conducted studies in various disciplines to learn the potential options and find better avenues for achieving superior performance and gaining competitive advantage. Besides, other scholars also investigated the complex research models involving multiple and complex relationships, because understanding research models and complex relationships will likely assist in resolving the low performance issue to a greater extent. As a result, various studies have also examined the role of moderating and mediating variables and predicting variables on the performance of SMEs (Cabeza, Quezada, & Gutierrez, 2017; Namara, Murro, & Donohoe, 2017; Pandowo & Lumintang, 2018).

In spite of a huge body of literature, this issue has still remain unresolved, rather it is getting worse with continuously increasing global competition in all areas (Munyawarara & Govender, 2019). Furthermore, the widespread electronic business and e-commerce approaches have taken this competition to a global level, which resulted in rivalry between the SMEs all around the world, especially in developing countries. In addition, SMEs in developing countries have been facing various constraints which has made this issue even worse. Thus, this situation has been drawing significant interest among researchers in developing economies.

In comparison to developed economies, the performance of SMEs in developing countries is still at lower levels (Laguir & Besten, 2016; Muneer & Ahmad, 2017; Munyawarara & Govender, 2019). Correspondingly, the lower SMEs performance is a key issue in several developing economies, it is due to the fact that SME sector is expected to significantly contribute in stimulating the performance of their respective economies. This issue has been further proliferated with the emergence of numerous constraints and globalized competition among (Munyawarara & Govender, 2019).

These studies also revealed that a positive linear relationship exists between individual performance and achievement motivation (Mihai, Burlea, & Mihai, 2017; Olannye & Onianwa, 2017; Rogo, Shariff, & Hafeez, 2017; Schlosser, 2015). However, studies that have examined achievement motivation as a predicting variable for organizational level performance found mixed findings (Saikal, 2015). Furthermore, achievement motivation also acts as one of the critical factors for the Small and Medium Sized Enterprises (SMEs), particularly in case of developing economies. This is due to the fact that SMEs are most likely to face turbulent market situations, therefore, a higher achievement motivation is needed by the individuals to efficiently deal with these hurdles that have the potential to obstruct performance (Bignotti & Roux, 2016; Pandowo & Lumintang, 2018). Even so, there is dearth of available research regarding achievement motivation's role in the performance of SMEs and this area has not received enough attention, particularly in case of developing economies (Bignotti & Roux, 2016; Cabeza et al., 2017; Miao, Qian, & Ma, 2017; Saikal, 2015).

Several prior researches and social cognitive theory support the relationship between individual level performance and the mastery experience (Boniface, 2016; Chanphet, 2015). Mastery experience covers the experiences of successes and failures that are gained by observing others and by deducing judgments (Boniface, 2016). A number of prior researches have successfully established a strong association among individual performance and mastery experience, however, this variable has not been tested previously as a performance predictor.

2. Literature Review

The idea of Achievement Motivation was first proposed with a motive to get things done rapidly. This idea by Murray has revolutionized the need for achievement theory and

gave rise to a new concept i.e. achievement motivation (Mihai et al., 2017). According to this theory, people who are possessed with achievement motivation are likely to exhibit certain behaviors, for instance, instrumental and energetic activity, being well-aware of the consequences of their decisions, risk taking, anticipation of potential future possibilities and taking responsibility. These behavioral roles were further refined by Mihai et al. (2017) as: establishing goals, taking responsibility to solve problems, looking for performance feedback, and taking risks.

Need for achievement theory posits that a linear relationship exists between performance and achievement motivation. The theory further suggests that this characteristic is essential for the entrepreneurs than any other. It also claims higher achievement motivation among individuals to take part in those tasks which require more efforts and skills (Mihai et al., 2017).

On the other hand, the goal setting theory classifies performance and human actions into three different levels. The first level explains intention and goal; the second level provides the sources of goals, such as, personality, motives and values; while the roots of these personalities, motives and values are explained in the third level. Therefore, human actions are said to be influenced more by the higher levels through their immediate levels. Thus, the social cognitive theory, goal setting theory and the turnover intention theory are the immediate level theories which are relatively better in comparison to lower level theories to explain human actions (Voraphani & Chungviwatanant, 2019). According to social cognitive theory, achievement motivation acts as a predictor of performance (Boniface, 2016).

For the small-scale businesses, achievement motivation is one of the key factors to achieve superior performance. Mahto and McDowell (2018) found that male entrepreneurs who are self-managing their small-scale businesses are generally possessed with high achievement motivation. A study has been conducted by Olannye and Onianwa (2017) using the data of high-tech managers and owners. Findings of their study suggest that achievement motivation affects company's success. In another study (Johnson, 1989), significant positive relationship of achievement motivation was found with sales growth, overall organizational success, and return on sales, in case of small business. Among other variables, Herlinawati, Ahman, and Machmud (2019) found significant effects of need for achievement construct on business performance. This finding was also supported by Cabeza et al. (2017) study, in which they discovered that the performance of SMEs in Vietnam are significantly and positively affected by the achievement motivation construct.

Namara et al. (2017) observed a significant impact of need for achievement on the sales of Indian rural kiosk operators. The study argued that managers and entrepreneurs in countries with inadequate infrastructure, unfavorable government policies and limited capital are possessed with different achievement motivation as compared to countries with favorable policies, infrastructure and sufficient capital (Schlosser, 2015). The uncertainty about the

relationship between performance and achievement motivation was further elaborated by Saigal (2015) using different contexts. They argued that many need for achievement related studies were conducted mainly in context to the developed economies, however, there are very few studies which attempted to examine this relationship in context to the developing countries. Therefore, this relationship needs to be tested in developing countries context, as entrepreneurs face several challenges to promote their businesses. According to Miao et al. (2017), in less developed economies particularly the transitional economies, the SMEs are usually managed by their owners and are relatively smaller in size. Bignotti and Roux (2016) also emphasized the significance of need for achievement for the entrepreneurs who are operating in developing economies.

Extant literature concerning performance and achievement motivation indicates that there are two main streams of research on achievement motivation, in context to entrepreneurship. One stream provides the comparison of achievement motivation in non-entrepreneurs and entrepreneurs. Although, several prior studies reported that the entrepreneurs have the tendency to possess relatively higher achievement motivation as compared to other categories (Mihai et al., 2017). Based on the literature we have drawn the following hypothesis:

H1: Achievement motivation has significant impact on the performance

Goal is referred as something that is wanted to be attained (Voraphani & Chungviwatanant, 2019). Michelle (2016) defined goal setting as ‘establishing a competency standard for a particular task that needs to be achieved at a given time period’. The goal setting theory identifies the task, intention, its aim, objective and the deadline of the goal. The goal’s intention is defined as ‘the persistence of performing a certain task’. However, objective is ‘the conscious goal’ and refers to a motive of achieving that goal. Meanwhile, aim relates to an individual’s conscious desire, and the end shows ‘the final outcome obtained after the planned efforts’. As a rule, a standard is generally set for evaluating or measuring the things, and the time by which a task is supposed to be completed is referred as the deadline. Generally, a goal has two dimensions, i) the content, and ii) the intensity. The content refers to ‘the expected result’, while the intensity explains the factors, like the required effort to achieve a certain goal, the level of commitment an individual possesses towards a goal, the significance of goal, and the place of that goal which is assigned by the individual in his/her goal hierarchy (Voraphani & Chungviwatanant, 2019).

According to Keith, Unger, and Rauch (2016), when there is lack of skills and knowledge among people to effectively perform a certain task, then performance may decline. Their study was then re-analyzed and confirmed that performance declines when a specific goal requires to acquire certain knowledge. Furthermore, Shamsudeen, Keat, and Hassan (2016) discovered that performance is negatively affected by an individual’s personal goals, resulting in poor firm performance. In a study, author found that performance of a small-scale firm is

directly affected by the entrepreneurial goals of then owner or a manager. The literature on performance-goal setting interface shows important facts about this relationship. Correspondingly, various types of goals have been studied in different prior research, such as, personal goals, assigned goals, learning goals, and the participative goals. However, most of these studies that were based on goal setting theory have examined this relationship only at individual level. Moreover, many studies that were conducted in last few decades also supported this relationship between individual performance and goal setting and is regarded to be the most supported relationship among various scholars. In addition, a study was conducted by Michelle (2016), in which they summarized studies that were carried out during 1969-1980 and investigated the relationship between performance and goal setting. The study highlighted 25 studies which provide supporting evidence about the positive relationship between these two variables. Six of the experimental laboratory studies have failed to find any positive evidence of this relationship, while studies reported a partial support to this relationship. However, fifteen experimental researches confirmed that positive relationship exists between individual performance and goal setting, though in varied degrees.

The finding that performance increases with specific individual goals as compared to indefinite personal goals has been supported by 24 field studies. Moreover, the positive relationship between goal setting and individual performance has also been partially proved in 7 correlational studies, whereas, only two studies reported a negative relationship. Besides, controversial results were also found in few studies regarding performance-goal setting relationship (Keith et al., 2016; Shamsudeen et al., 2016). Collectively, majority of the laboratory and correlational studies reported only a partial relationship between the two variables (Michelle, 2016). Based on the literature we have drawn the following hypothesis:

H2: Goal setting has significant impact on the performance

Experience refers to ‘the active participation in events related to a certain activity’. Experience refers to obtaining conscious events by the individuals. It is also associated to the experiences of reacting, sensing, feeling, reflecting and interpreting. In entrepreneurship research, various views exist related to experience. According to Olaitan and Flowerday (2017), experience refers to ‘the acquired skills and knowledge’ and it creates practical wisdom and entrepreneurial expertise. On the other hand, Bosco, Chierici, and Mazzucchelli (2019) conceptualized it as ‘a collection of happenings that occur in the career of an entrepreneur’. Researcher defined experience as ‘the cluster of happenings during the process of establishing an entrepreneurial business. It is the direct participation and observation of entrepreneurs in the business events. Entrepreneurial experience was also interpreted by Okeyo, Gathungu, and Peter (2016) as an entrepreneur’s lived-through event. Okeyo et al. (2016) explained it as the total outcome arising from prior entrepreneurial activities.

A study based on the owner-managed SMEs in Lao revealed a positive relationship between entrepreneurs’ past experiences and firm performance. In another study, high

correlation was found among firm performance and experience level. Furthermore, Okeyo et al. (2016) also reported that positive relationship exists between prior entrepreneurial experience and entrepreneurial actions/intentions. A study attempted to analyze the relationship among firm information and prior entrepreneurial experience, and computer technology performance among owner-managers of small businesses, and discovered a positive relationship. Okeyo et al. (2016) study also suggests that an entrepreneur's experience positively affects the firm performance, however, instead of experience, individual expertise is found as a strong determinant of organizational performance. Another study Lagarda, Madrigal, and Flores (2016) investigated the role of managerial experience, past industry experience and level of education as the performance determinants in SMEs. The findings revealed that only education level positively influences performance, whereas, no evidence was found on the positive relationship of managerial experience and industry experience with performance. However, in Cooper, Woo, and Lagarda et al. (2016) study, performance and entrepreneurial experience were found to be positively related. The performance-managerial experience interface was also investigated in seven different areas and confirmed the existence of a positive relationship between the variables. In addition, Hanák (2018) also found that firm performance and managerial and entrepreneurial experience are positively related. Based on the literature we have drawn the following hypothesis:

H3: Experience has significant impact on the performance

According to Social Cognitive theory, self-efficacy is the judgment of individuals regarding their abilities to perform certain actions which are needed to achieve a desirable outcome. Thus, it is indicated as the perception of people about their abilities to execute a task. There are three dimensions of self-efficacy, namely, the magnitude, the generality and the strength (Boniface, 2016). Magnitude refers to 'the difficulty in attaining a certain task', while, strength shows the belief to achieve a desirable task performance. The belief of self-efficacy is generally strengthened by obtaining information from four different sources, i.e. i) social persuasion, ii) mastery experience, iii) emotional arousal, and iv) vicarious experience. The social cognitive theory suggests that self-efficacy acts as a mechanism to bring behavioral change. It is one of the key cognitive factors which may influence the individuals' everyday lives (Boniface, 2016). In Chanphet (2015) study, they concluded that stronger self-efficacy enables the individuals to better control their negative thinking. Another study concluded that self-efficacy is also found to affect the productivity of industrial employees (Rogo et al., 2017). Furthermore, author had attempted to test the impact of self-efficacy on the performance of students and found positive results. Rogo et al. (2017) performed a study to test the relationship between self-efficacy and entrepreneurial intention. Their study reported that positive relationship exists between entrepreneurial intention and self-efficacy.

The present study is based on entrepreneurial intention and students' perceptions. In view of Dawson, Henley, and Arabsheibani (2019), optimism increases through self-belief which

ultimately results in the reduction in individual performance. Furthermore, more confidence leads to less individual efforts toward the targeted tasks. In addition, Dawson et al. (2019) also found no improvement in individual performance. According to their findings, this situation occurred due to self-efficacy, as it offers less incentives as well as motivation among individuals to put in the required efforts for higher performance. Moreover, author also tested whether self-efficacy influence the individuals' decision-making and the results suggested that overconfidence arising from positive expectations lead to less efforts to achieve performance. The findings of their research further proved that for complex tasks, making self-efficacy judgments generally overestimate the personal ability of the individuals. A few studies also found negative relationship among self-efficacy and performance, reported that performance and self-efficacy are negatively correlated.

According to the social cognitive theory, self-efficacy and motivation are related to each other. Motivation is assumed to have a significant contribution to performance and self-efficacy. The self-efficacy mechanism develops intrinsic interest among individuals. Self-motivation is represented by different names, including achievement motivation, thus the higher the achievement motivation, the greater the self-satisfaction which thus leads to higher self-efficacy. Therefore, there is a need to understand the relationship between self-efficacy and achievement motivation which would help in assessing the way motivation influences the perceived self-efficacy (Boniface, 2016). A study indicated that the self-efficacy mechanism mediates the impact of internal standards on the motivation level. Furthermore, Chanphet (2015) found an indirect impact of self-efficacy on achievement motivation which in return influences performance. In a similar vein, Miao et al. (2017) studied the case of two Asian economies, and integrated the achievement motivation construct as a mediator and also included locus of control as the antecedents of self-efficacy.

Besides creating incentives and providing direction to perform actions, developing self-efficacy is a prominent feature toward goals achievement (Boniface, 2016). In this regard, self-efficacy is affected more with proximal sub-goals. Miao et al. (2017) conducted an experimental research using the data of undergraduate students as their sample. They assumed that personality factors significantly affect self-efficacy, which was proved from the results which indicated a positive impact of goal orientation on self-efficacy. In another study, a sample of students was taken to examine the relationship between team efficacy and goals. The study discovered positive relationship between goals and team efficacy. In Chanphet (2015) study, self-efficacy is found to be developed through performance goals. These findings were obtained by conducting qualitative survey from 15 employees. Miao et al. (2017) confirmed the role of self-efficacy as a mediating variable for the effects of goals of performance.

Social cognitive theory also posits that acquiring knowledge from direct experiences is referred as mastery experience, which strengthens self-efficacy among individuals. It further

explains the extent that mastery experience increases or decreases the individual self-efficacy. This impact depends on certain factors like, the amount of effort taken, the level of difficulty to complete the task and the external aid received. Thus, mastery experience is an important and a powerful source to achieve self-efficacy since it is gained through direct individual experience. However, the way results are interpreted and the past experiences assist in developing perceptions about certain individual capabilities (Boniface, 2016). Based on the literature we have drawn the following hypothesis:

H4: Self efficacy has significant impact on the performance

H6: Self efficacy mediates between the achievement motivation and performance

H5: Self efficacy mediates between the goal setting and performance

H7: Self efficacy mediates between the experience and performance

3. Research Methodology

In this research, both inferential and descriptive statistic tools and techniques were used to conduct the data analysis. For descriptive analysis, SPSS v.22.0 was applied whereas, for inferential statistical analysis, Partial Least Square Structural Equation Modeling (PLS-SEM) was employed and for that purpose we used the Smart PLS 3.0. From the survey, 258 out of total 340 questionnaires were sent back, therefore, 75.88% was the response rate which was more than the minimum satisfactory level i.e. 30% as suggested by Hair, Hult, Ringle and Sarstedt (2016). PLS-SEM is the most commonly used method in different researches related to social sciences to conduct multivariate analysis. However, in recent years it has also been widely used in the education sector. For structural equation modeling, there are different methods for data analysis to evaluate the relationship among observed and latent variables. Thus, PLS-SEM brings clear understanding about certain features which cannot be openly examined otherwise, such as abilities, attitude perception, characteristics, and intentions associated to research based on education.

4. Research Results

Firstly, the outer model in the PLS analysis was calculated to estimate the indicator loadings for the particular constructs. Therefore, to measure the instruments' consistency and model constructs, the reliability test was performed. Afterwards, validity test was also conducted to analyze the particular instrument's ability to measure its respective construct (Hafeez, Basheer, & Rafique, 2018; Hair, Matthews, Matthews, & Sarstedt, 2017). The measurement model aims to assess the nature of relationship among observed and latent variables. Afterwards, construct validity was calculated by assessing the instruments' convergent validity, content validity, and the discriminant validity (Ramayah et al., 2018).

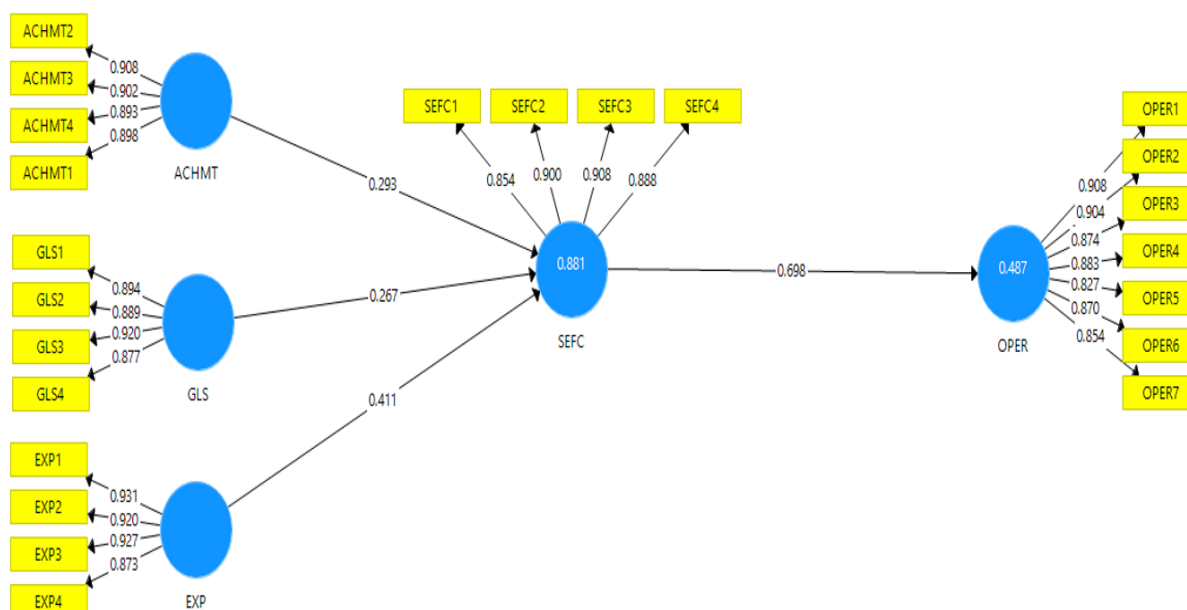


Figure 1: Measurement Model

For each individual construct, outer loadings were calculated to analyze the item reliability. If item loadings fall in the range of 0.40 - 0.70 (Basheer, Hameed, Rashid, & Nadim, 2019; Hair et al., 2017), it is deemed acceptable, but it is considered more suitable if item loadings are greater or equal to 0.70 (Hair et al., 2016; Henseler et al., 2016). In addition, if item loadings fall in between 0.81 to 1.00, it indicates very strong loading (Hair et al., 2017) and If items have loadings that fall in between 0.50 - 0.80 range, it indicates moderate loading (Basheer et al., 2019; Mikalef & Pateli, 2017). According to Mikalef and Pateli (2017), above 0.70 item loadings must be obtained for the mutual relation.

Table 1: Cross Loadings

	ACHMT	EXP	GLS	OPER	SEFC
ACHMT1	0.898	0.814	0.840	0.593	0.809
ACHMT2	0.908	0.755	0.818	0.633	0.792
ACHMT3	0.902	0.787	0.852	0.587	0.812
ACHMT4	0.893	0.738	0.816	0.603	0.803
EXP1	0.796	0.931	0.869	0.623	0.826
EXP2	0.791	0.920	0.845	0.576	0.833
EXP3	0.790	0.927	0.857	0.618	0.855
EXP4	0.762	0.873	0.796	0.618	0.807
GLS1	0.877	0.839	0.894	0.668	0.860
GLS2	0.835	0.803	0.889	0.597	0.792
GLS3	0.817	0.855	0.920	0.614	0.864
GLS4	0.777	0.803	0.877	0.527	0.761

Table 1: (Cont.)

	ACHMT	EXP	GLS	OPER	SEFC
OPER1	0.632	0.570	0.613	0.908	0.611
OPER2	0.608	0.612	0.609	0.904	0.618
OPER3	0.585	0.595	0.589	0.874	0.623
OPER4	0.618	0.624	0.621	0.883	0.629
OPER5	0.564	0.519	0.558	0.827	0.590
OPER6	0.563	0.600	0.592	0.870	0.602
OPER7	0.533	0.559	0.541	0.854	0.599
SEFC1	0.762	0.761	0.789	0.560	0.854
SEFC2	0.804	0.813	0.802	0.650	0.900
SEFC3	0.819	0.823	0.834	0.672	0.908
SEFC4	0.785	0.831	0.831	0.591	0.888

Convergent validity can be defined as the level at which two measures that are different are related to one another and are also linked theoretically after carrying out statistical analysis. Average variance extracted (AVE), factor loadings and composite reliability were also calculated in the study (Basheer, Hafeez, Hassan, & Haroon, 2018; Hair et al., 2017) to determine the convergent validity. Item loadings were calculated for each item and then factor loadings were determined, which were found to be greater than 0.50 which is consistent to Ong and Puteh (2017) recommended level. Next, the composite reliability was calculated which is defined as the extent to which items of a particular scale are reliable or internally consistent. For all the constructs the CR values were observed to be ranged from 0.872 to 0.968, which are acceptable as suggested by Ong and Puteh (2017).

Table 2: Reliability

	Cronbach's Alpha	rho_A	CR	(AVE)
ACHMT	0.922	0.922	0.945	0.810
EXP	0.933	0.934	0.952	0.834
GLS	0.917	0.920	0.942	0.801
OPER	0.949	0.949	0.958	0.765
SEFC	0.910	0.912	0.937	0.788

Average variance extracted or level of common variance between the indicators was calculated to assess the convergent validity. AVE values should be 0.50 or higher to achieve adequate convergent validity (Hair et al., 2016; Henseler et al., 2016; Singh & Prasad, 2018). For current research, 0.512 to 0.834 is the obtained range of AVE values, which shows that convergent validity has been adequately established in this study. Thus, table 2 shows the CR values for analyzing the second-order construct.

In contrast to convergent validity, the discriminant validity analyzes that whether a measure is different from other measures. Discriminant validity measure was used in this study to determine the validity of constructs involved in the MM. This was done by taking square root of AVE and compared it with the correlation between the latent constructs (Basheer et al., 2018). The AVE values should be 0.5 or higher, whereas AVE square root values need to be greater than correlation between the latent constructs.

Table 3: Validity

	ACHMT	EXP	GLS	OPER	SEFC
ACHMT	0.900				
EXP	0.860	0.899			
GLS	0.824	0.890	0.895		
OPER	0.671	0.667	0.674	0.875	
SEFC	0.894	0.610	0.617	0.698	0.888

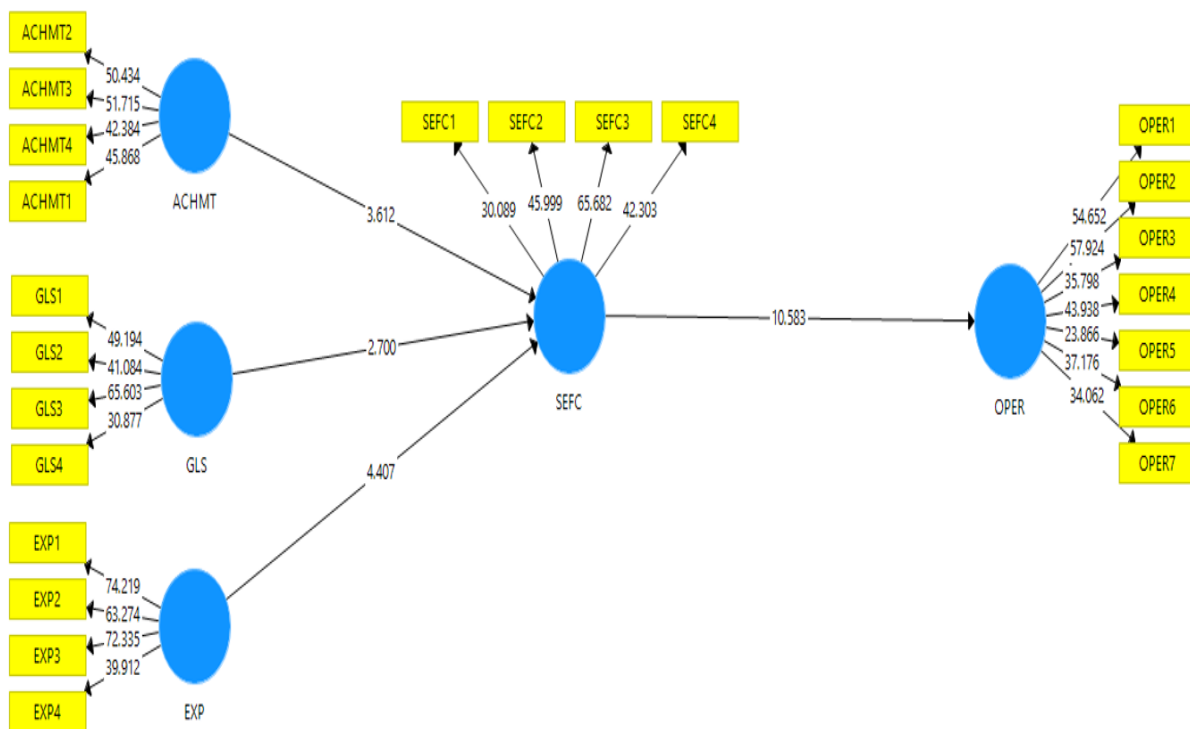


Figure 2: Structural Model

After the outer model estimation, we determined the inner model. Hypothesis testing, t-values, and path coefficients were evaluated in the inner model. In addition, bootstrapping method was also applied in which sample of 500 were used to evaluate the significance of path coefficients and to analyze the structural relationship that exists between the variables involved in current study (Ong & Puteh, 2017). Result of the bootstrapping procedure shows significant t and p statistics for the proposed hypotheses.

Table 4: Direct Relationships

	(O)	(M)	(STDEV)	(O/STDEV)	P Values
ACHMT -> OPER	0.205	0.205	0.061	3.380	0.000
ACHMT -> SEFC	0.293	0.292	0.081	3.612	0.000
EXP -> OPER	0.287	0.286	0.072	3.988	0.000
EXP -> SEFC	0.411	0.407	0.093	4.407	0.000
GLS -> OPER	0.187	0.191	0.071	2.613	0.004
GLS -> SEFC	0.267	0.273	0.099	2.700	0.003
SEFC -> OPER	0.698	0.701	0.066	10.583	0.000

Besides analyzing the significance of path coefficients and obtaining t and p statistics, other key measures can also prove to be helpful for structural model estimation for mediation.

Table 5: Mediation

	(O)	(M)	(STDEV)	(O/STDEV)	P Values
ACHMT -> SEFC -> OPER	0.205	0.205	0.061	3.380	0.000
EXP -> SEFC -> OPER	0.287	0.286	0.072	3.988	0.000
GLS -> SEFC -> OPER	0.187	0.191	0.071	2.613	0.004

R-square or coefficient of determination is the appropriate method to analyze the structural model (Hair et al., 2016). Therefore, the strength of the model is identified through R-square value for the endogenous constructs. The R-square illustrates the change that occurs in endogenous variables due to exogenous variables. According to Ramayah et al. (2018), if the value of R-square is 0.67, it means large variability in endogenous variables whereas if the values are 0.33 and 0.19, it represents medium and small variability, respectively.

Table 6: R Square

	R Square
OPER	0.487
SEFC	0.881

In order to measure the quality of the model, predictive relevance of the model was evaluated (Hair et al., 2016). Thus, to determine the current model's predictive quality, cross-validated redundancy measure (Q^2) was applied. Q^2 is also referred as the Stone-Geisser's criterion.

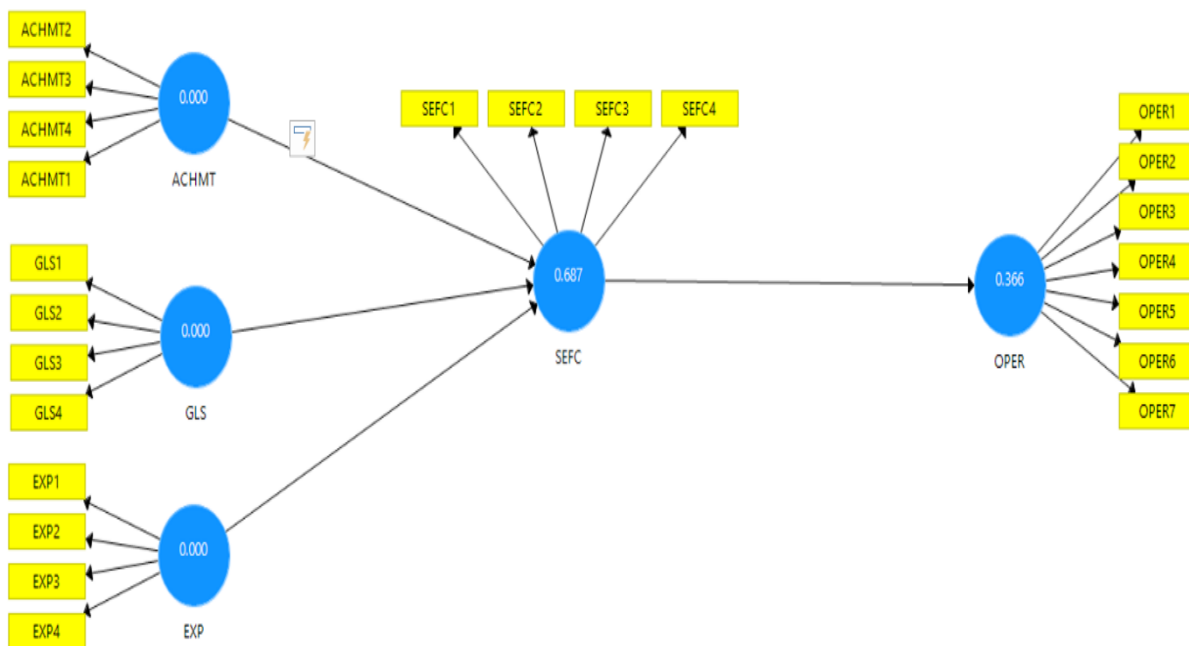


Figure 3: Blindfolding's

It is a method in which the samples are empirically reconstructed. According to this technique, if $Q^2 > 0$, it means model has predictive relevance or vice versa. Thus, a blindfolding method was applied using PLS software to compute the Q^2 value. Some of the cases were dropped from the analysis to estimate parameters (Hair et al., 2016; Henseler et al., 2016; Mikalef & Pateli, 2017).

Table 7: Q Square

	SSO	SSE	$Q^2 (=1-SSE/SSO)$
OPER	1519.000	962.408	0.366
SEFC	868.000	271.840	0.687

5. Conclusion and Discussion

The objective of this research was to determine the nature of relationships between the performance determinants and how these factors influence performance. This study particularly emphasized the strategic orientation and cognitive factors and their effects on performance. Furthermore, the present study also observed the role of self-efficacy as a mediator between performance and cognitive factors.

The results obtained from the analysis were in line with the need for achievement theory. It indicates that individual level performance is positively influenced by achievement motivation due to the positive relationship that exists between organizational performance and achievement motivation (Mihai et al., 2017). The theoretical implications suggest that this strong relationship can be applied at firm level. Similar findings were obtained in other individual level studies (Schlosser, 2015).

Several prior studies (Herlinawati et al., 2019; Namara et al., 2017) have also reported inconsistent findings about the role of achievement motivation in predicting the SMEs performance. In addition, many prior organizational based studies support this positive relationship obtained in current research. These findings also clarified the uncertainty regarding the achievement motivation's effects on firm performance. However, those studies which have failed to find significant relationship between these two variables were mainly because these studies were conducted in context developed economies (Bignotti & Roux, 2016) or they used small sample size (Pandowo & Lumintang, 2018). Thus, achievement motivation is particularly important for the SMEs in developing economies, and has been supported by several prior studies (Bignotti & Roux, 2016; Miao et al., 2017).

At individual level, the goal setting theory also supports this relationship. The goal setting theory provides a theoretical foundation for these findings i.e. effects of goals setting on performance (individual level) (Voraphani & Chungviwatanant, 2019). Several prior studies as well as results obtained in this research support the idea that goal setting theory can be applicable at firm level. These findings are consistent with studies who reported positive association among individual level performance and goal setting.

Correspondingly, literature indicates three cognitive factors, i.e. goal setting, mastery experience and achievement motivation as the strong variables that can predict performance. A few prior studies also pointed out that in comparison to cognitive factors, other factors have been receiving more attention, therefore, the cognitive factors must also be observed while assessing performance and cannot be overlooked (Vu, Hoang, & Le, 2020). The argument i.e. 'while assessing firm level performance, we cannot ignore the role of cognitive factors' was also supported by the research findings. These findings clarified the ambiguity concerning the inconsistent findings about the relationship that is obtained in prior studies (Vu et al., 2020).

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