

Strategic Orientation As a Source of Competitive Advantage for the Small Firm

**Jayesh Ranjan
Behavioral Sciences Group
Indian Institute of Management Calcutta
2001**

Thesis Advisory Committee:

Thesis Summary

Small firms are at a disadvantage in many ways as compared to the large firms, because of their size. Yet, the small firm can also derive competitive advantage over its rivals, small or large. A strategically oriented small firm can meet the competitive forces successfully. The present study attempts to examine the nature of strategic orientation in the owner-manager, and its relationship with organizational performance in the context of the small firm. It is hypothesized that firms with strategically oriented owner-manager would show superior performance as compared to

effect on firm performance. In all the 3 industry groups, it was found that firms showing superior financial performance also had owner-managers having a high degree of strategic orientation. The effect of moderator variables was also observed. It is concluded that small firms will be able to withstand and do well in the face of competition by engaging in a strategic posture which will come from the strategic orientation of the owner-manager.