

Organizational Resilience Capacity as a Mediator between Entrepreneurial Orientation and Organizational Performance: A Case of Textile Sector of Pakistan

¹Kanwal Bilal, ²Dr. Faisal Tehseen Shah

¹Ph. D. Scholar, Department of Management Sciences, COMSATS Institute of Information Technology, Lahore

²Assistant Professor, Department of Statistics, COMSATS Institute of Information Technology, Lahore

Received: July 3, 2017

Accepted: September 15, 2017

ABSTRACT

Resilience is a subject that has obtained a lot of attention among those responsible for performance and wellbeing in organizations, as the work environment becomes increasingly challenging and uncertain. However, resilience-focused selection and development interventions are still quite limited. Despite its potential benefits in a wide range of circumstances, organizational resilience capacity received scant attention in relation to managing the various uncertainties in the global business environment. Likewise, there is still a limited understanding of firms' resilience capacity and its impact on business performance in the strategic management literature. The purpose of this study is to develop an indigenous paradigm that enables organizations to survive, flourish and avoid corporate losses in today's dynamic and hostile business environment. Entrepreneurial orientation of organizations serves as antecedent of organizational resilience capacity and thus foster organizational performance, subsequently leading to the survival of organizations in the long run. Quantitative method of analysis has been applied and data have been collected by managers from the textile sector. The role of entrepreneurial orientation is crucial in determining the organizational resilience capacity and business performance. The implications of this study will facilitate the managers for policy decision making in order to maintain organizational sustainability and continuity in the changing and instable environment. It further implicates guidelines and procedures for innovation and transformation. The study provides a quantitative measure of resilience capacity for the textile sector in order to assess the organization's capacity to survive in the face of stiff market competition that further provides preventive measures for corporate woes.

KEYWORDS: *Organizational Resilience Capacity, Entrepreneurial Orientation, Organizational Performance*

1. INTRODUCTION

Organizational Performance refers to the realization, accomplishment and attainment of aspirations and intents based on a certain precision and outlay in a particular time frame [1]. Performance of organizations embodies realization of endeavours, strategies, tactics and ideas into products and outcomes [2]. It has been extensively utilized as a spotlight of research earlier [3]. Performance in the business zone is linked with competitiveness, cost diminution, cost and trade composition, development, and capability to endure in long term. The explanation of performance is carry out a work and its outcomes realized from that work. Performance is the outcome of the effort that has well-built association with the corporation's planned objectives, consumer fulfilment and financial input [19]. Nowadays, organizations are in quest of modern methods and continued endurance is a fundamental requisite. A lot of companies are progressively searching for novel and entrepreneurial practice to develop the efficacy, competence and flexibility. For that reason, entrepreneurship is swiftly befitting a dart of preference for most of the organizations [40]. A firm's venture and policies are gradually becoming the major strategic issues which have significant impact on organizations. It is unlikely for organizations to outlast and progress without any standard, benchmark or escort and should incessantly acquire erudition and learning to amend themselves for research and development and build up resilience aptitude to struggle to deal with the competition and combat with the adversary. Organizational resilience Capacity is likely to be deliberated and reckoned as critical contributing dynamics of organizational performance.

The idea of resilience tends to devise manifold, vigorous structures in an assortment of fields comprising economics, environment, psychology, sociology, risk and operation management [4, 5, 6, 7]. Resilience is generally said to be known as the ability of an organization to endure turbulences and turmoils for preserving and maintaining its

*Corresponding Author: Kanwal Bilal, Ph. D. Scholar, Department of Management Sciences, COMSATS Institute of Information Technology, Lahore. Email: kbilalsabir@gmail.com

constitution and configuration. Moreover, explicitly in the corporate context, resilience is demarcated as the expertise to endure, acclimatize and develop at the time of inclement transformation. Management theoreticians and scholars are progressively ascertaining the prerequisite for resilience ability of firms [8]. Organizational resilience capacity is a distinct viewpoint which necessitates a diversity of abilities and information that grasps past safety only. The resilience realm is yet emerging and increasing; though, primary personifications and epitomes of 'organizational resilience' have been a reclassification of 'business continuity management' policies positioned as 'resilience practices' or 'resilience structures'. Conversely, 'organizational resilience capacity' poses to be an under-explored issue in the textile sector of Pakistan [9]. The extant literature is reasonably limited with regards to the scrutiny of organizational resilience capacity specifically in the perspective of the textile segment of Pakistan. Resilience describes for the managerial as well as administrative capacities to vivaciously recreate corporate prototypes and approaches as environments and state of the affairs transform and revolutionize, thus to metamorphose afore any demand that happens to be urgently evident [8]. Organizational resilience Capacity [10, 11] and entrepreneurial orientation are likely to be deliberated and reckoned as critical contributing dynamics of organizational performance. Entrepreneurial Orientation (EO) appears to evolve from the theory and literature pertaining to strategic management. Consistent with strategic management literature, entrepreneurial orientation epitomizes the dogmas and practices which deliver a foundation for business resolutions and assessments. Accordingly, EO may be viewed as the entrepreneurial strategy-making processes that key decision makers use to enact their firm's organizational purpose, sustain its vision, and create competitive advantage and thus lead to better business results.

Today, entrepreneurship is the main motivating agent in economic development and is regarded as one of the characteristics of a healthy economy. This concept takes pace when one or several persons start a business or it may also take place in an active organization. The latter is called organizational entrepreneurship. It is rapidly becoming a weapon for many organizations especially large ones. Entrepreneurship is also an attempt for creation of entrepreneurial skills and inserting these features in an organization's culture. Customer is the main factor for organizational survival, whether in a production or in a service company. If an organization fails to attract customers' attention and to make customers loyal it will not facilitate its long-term growth. Administrative system and public sector of any country is one of the main bases for growth and development and governments duties. Therefore, inefficiency of this sector will have many problems. Even when the private sector is active, the public sector has many duties and good or bad performance of public sector will have many effects. An entrepreneurial organization is able to seize opportunities and get adapted to its surroundings. Organizational entrepreneurship involves many indices and agents and is affected by many different factors. Therefore, it seems necessary to identify these factors and investigates their impacts on organizational entrepreneurial orientation on performance [40]

Objectives of the Study:

The rationale and intent of this particular research work is ultimately to develop a frame that enables organizations to survive and flourish in today's business environment. The aim of this study is to ascertain if developing organizational resilience capacity effects organizational performance in the context of textile sector of Pakistan and how will Entrepreneurial Orientation transform the organizational performance in the context of textile Sector in Pakistan?

Research Questions:

The research queries for this study are formulated as under:

1. How will developing organizational resilience capacity effect organizational performance in the context of textile sector?
2. How will Entrepreneurial Orientation transform the organizational performance in the context of textile Sector in Pakistan?

Rationale of the Study:

There is scant literature and studies on organizational performance as a resultant of organizational resilience capacity in the textile sector of Pakistan. According to the best of the knowledge of the researcher, there is very limited number of research dedicated to the influence of entrepreneurial orientation and organizational resilience capacity on organizational performance which is illustrated by a challenging and volatile business environment. While there are some research studies treating organizational resilience capacity as a dependent variable, very few studies have taken into consideration the influence of resilience capacity in the part of an interceding variable amongst the entrepreneurial orientation as well as organizational performance.

Research Problem:

Pakistan's textile business and diligence is one of the most imperative constituents of the manufacturing segment with an extensive fabrication chain and intrinsic prospective designed for value addition enriching the industrial value addition by almost a quarter which is one-fourth, proposing job openings to practically 40% of the business employees. It also contributes to roughly 60% of the export revenues and earnings despite the fact that it is expending approximately 40% of the investment credit. It is essential to discern that the performance of the textile sector by and large can be reckoned to be below the required standards thus signalling a sign of distress for the sector. The textile mills flourished by an increase in number from 353 units in the years 2000 and 2001 to a number of 477 by 2012-13. It is distressing to witness and observe a reduction of textile mills to 423 units only by the year 2015-16. The textile exports have fallen down over to 9 percent from 13.7 billion dollars in 2013-14 to 12.5 billion dollars in 2015-16 as compared to the export market of competitors such as India, China, Vietnam and Bangladesh which have boosted by 12, 11, 40 and 13 % likewise for the same duration and time period. The clothing and textile exports have dwindled by 10, 12, 15, 28, 29 and 35 percent for the knitwear, bed wear, readymade garments, cotton yarn, towels and cotton cloth correspondingly. According to the World Bank report, it is expected that the economy of Pakistan will grow by 5.2% as compared to the previous years in the year 2017 but there are certain risks involved with it. The World Bank has underscored these risks as sluggish development in the structural reforms, persistent improbability regarding the economic policies of the United States, inflation, and prolonged international economic vulnerability specifically, in the EURO region owing to Brexit is likely to have a negative effect on exports [12]. It is important to note that the South Asian countries including Pakistan will be benefitted by the US economic policies in opposition to Mexico and China. This means that the textile exports of Pakistan are likely to be enhanced by 15% only if the United States economic policies are critical of Mexico and China. Despite the fact that textile sector is the prevalent and vital industry in Pakistan, the global market share of Pakistan in the textile sector persists to be inadequate and scanty which is only 1.7%. The textile sector of China is dominating the global market with a share of 36% followed by India and Bangladesh which correspond to 4.85% and 3.76% share of the global market in the textile industry subsequently. The textile sector of Pakistan has unrelentingly been facing severe challenges and antagonism internationally regardless of the desired GSP Plus status which was established in 2014 by the European Union. Except for the woven apparel segment, all other sectors of Pakistan's textile industry illustrated an aggravation and languish in its overall performance in 2015-16 especially in the exports owing to the ruthless and stern competition worldwide.

Pakistan has been striving and contesting the international market in the textile sector lacking a proper plan and backing whereas its main challengers and contesters like China and India are exploiting and using every resource as well as networks in order, to seize the available opportunities. Therefore, Pakistan must also be eager and determined to make use of the resilience capability method to endure in the international market and by continuing to improve its performance. This is likely to require a more quantitative research than is currently available [13]. Organizational resilience capacity which is deemed as the aptitude to continue to exist in ruthless environmental circumstances and retort well to misfortunes, noticeably compels further research consideration. Even though the topic is believed to be entailing interest there are still gaps in the extant literature that necessitate stuffing it up with pertinent speculations [14].

Problem Statement:

As indicated by State Bank of Pakistan (2015), the loss in exports has been reported to be -122 million US dollars in 2015, -121 million US dollars in 2014, -236 million dollars loss in 2012 which is a topic of severe apprehension for the once booming Pakistan Textile industry as the loss is monumental. These losses and decline in exports have led the textile sector on the verge of disruption. The reported decline in exports is due to number of factors like stiff regional competition, global recession, ongoing energy crisis, internal security concerns, depreciation of Pakistani rupee, rise in inflation rates, high production costs, higher taxes, deficiency in development of resilience capacity and business strategy, therefore it is important to inculcate entrepreneurial orientation and quality culture to foster resilience capacity in the industry in order, to sustain negative impacts of external environment and to design and deliver effective work environment for which there is still room for research.

Significance of the study:

This research will help in answering the most pressing issues faced by today's organizations and organization theorists by providing an understanding of how organizations could positively develop organizational resilience capacity and emerge resilient by enhancing corporate performance. Organizational resilience capacity serves as a mediator between entrepreneurial orientation and performance of organizations, subsequently leading to the survival of organizations and better business results [11].

LITERATURE REVIEW

2.1 Entrepreneurial Orientation:

Entrepreneurial Orientation appears to have materialized from the notion of entrepreneurship which tends to be an important zone of mounting concern of scholars in the field of business and management [15, 16]. Its origins are likely to be determined the strategic management literature [17]. This is a paradox which inclines to integrate forecasting, design, exploration, decision-making along with several other characteristics of culture and vision of an organization. Entrepreneurial orientation embodies the strategies, guidelines and practices which offer a foundation for business decisions and actions. Thus, it is also regarded as the tactical strategy-making courses and manners which are employed by the policy makers in order to ordain their managerial resolution, withstand its idea and also to inculcate competitive gain. The business entrepreneurship is supposed to be an incorporation of structural and administrative struggles which call for managerial upkeep and assets to stimulate revolutionary undertakings in the creation, development and managerial level [15]. EO is also delineated as the procedures, methods along with decision-making accomplishments which escort to innovative right of entry [18]. [19] have perceived the purpose and meaning of entrepreneurial orientation in the direction of business repercussions that turned out to be positive. It is an integral part of a culture and norms of society. Entrepreneurial Orientation (EO) is considered as the most important internal resources that help organizations to achieve competitive advantages and build resilience capacity of firms. Corresponding to the 'resource-based outlook philosophy of organizations', it is the organizational resources which may possibly lead administrations to improve their performance and realize reasonable compensations over their rivals. Entrepreneurial activities are vital for organizations because of their positive effect on performance that in turn sustains benefits or gains over the rivals. It has been observed and assessed over an enormous cascade of research inquiries in the extant literature. Entrepreneurial orientation turns out to be a significant and essential criterion for organizational performance, organizational survival and in an ever more dynamic and stimulating environment [20, 21].

Entrepreneurial orientation (EO) is an important patron to the success of a business. The notion of entrepreneurial orientation was ascertained to be encompassing dimensions such as novelty or innovativeness, pro-activeness as well as risk-taking. Innovativeness is an organization's capability to cater novel ideas and creativity for research and development and would impact business results whereas pro-activeness refers to the scenario analysis of new ideas and opportunities and anticipate changes in the future which may tend to shape the business scenario and environment. Risk-taking means dedicating and allocating resources to schemes and developments with likelihood of extraordinary returns; nevertheless, it may likewise entail a possibility of high failure [22]. On the other hand, risk-taking is correspondingly associated with entrepreneurial actions and that by and large prosperous industrialists and venture capitalists tend to be high risk-takers [23].

Various empirical studies found that there appears to be a statistically significant link between entrepreneurial orientation as well as organizational performance [24, 25, 26, 27]. However, there also exist additional research analyses that unearthed lower levels of associations and correspondences between entrepreneurial orientation and organizational performance or no significant relationship as indicated in other research explorations. These inconclusive findings regarding this relationship call for more studies to be conducted in different settings. EO has been studied as the antecedent that enhances the competitive advantage, growth, and superior performance. Moreover, the progressive and affirmative influence of entrepreneurial orientation on the performance has been widely confirmed in the studies conducted in developed countries. However, other studies did not support the link. This contradictory nature of available research and the indefiniteness or indecisiveness over the association amidst these variables calls for more research to examine new mechanisms that can explain this relationship better. [28] have also studied and emphasized on the importance of building organizational resilience capacities as a consequence of better entrepreneurial orientation. They have also suggested that the resilience capacity may serve as mediator in order to boost the rapport and link between entrepreneurial orientation and performance of organizations.

2.2 Organizational Resilience Capacity

Fostering resilience capabilities is a concept that has gained considerable attention in the recent years. There is a need to ascertain quantitative measures to ensure sustainability and resilience of organizations. Based on the management sciences literature specifically in the literature pertaining to strategic management, organizational behavior as well as operations management, organizational resilience capacity has turned out to be an influential, eminent and notable construct. This generally means to be able to alter, bend, modify and adjust to the intrusions, commotions and disruption that could occur in the system and then making use of the available prospects in the environment [29]. Developing organizational resilience capacity enables organizations to passionately retort to

evolving circumstances. The requirement of comprehending resilience capacity is considered to be imperative in order to form resilient associations and constitutions. Resilience is fundamental to organization's sustained growth as it improves its adaptive capability at the moment when the peripheral changes and vicissitudes in the environment demand changes within the practices of the organization [30].

[31] have contributed to the development of a cases study of Kyrgyz's textile sector's resilience in a transitional economy in which they studied reliance on worldwide trade systems and codes of practice. They prepared set-ups and situations to categorize and classify resilience resources of the textile industry. The upshots of the study provide recommendations for shareholders about improving resilience capabilities of the Kyrgyz textile sector. [31] have examined the role of organizational resilience capacity and business performance. After carrying out the study on 112 firms it was found that firm's resilience capacity was positively related to performance of organizations. The extant literature on the subject designates that resilience capability inspires and impacts the performance of organizations.

2.3 Organizational Performance

Organizational performance refers to measurable results, decisions and actions and indicates achievements. Performance contains relatively all competitive targets and non-material goals like reliability, flexibility, quality and speed. Performance evaluation has been a challenging issue for a long time. Commercial organizations used to use financial indices as performance evaluation instrument. The inefficiencies was resulted from increase in complexity, environmental flexibility and competition. Every organization requires evaluation in order to become aware of desirability of its activities [35]

Business functioning is a dynamic and robust in nature. The recital collaborations need to be considered along with the structural and administrative revolutions. Thus, an approach or line of tactic is necessitated to adjust and become accustomed to these alterations in system and can support these processes. Performance of organizations entails management and methodical developments that empowers the firm to attain coveted and implored objectives [32]. It encompasses the concrete productivity or outcomes of a firm as appraised alongside its envisioned aims and goals. [2] have described organizational performance in terms of profits, market share, rate of growth, stakeholder return and so on. They have also reflected on a firm's performance which is defined as an act or procedure of execution of a chore or operation perceived as to how effectively it has been implemented. Accordingly, an organization's performance tends to relate to the fact that how magnificently and productively employees achieve a certain task. Most important philosophies based on the 'management sciences research' such as the 'contingency theory' in particular takes account of "organizational performance" as a vital construct in their thoughts, judgments and estimations. Researchers are of the view that feedback contrivance is indispensable to assist the exact utilization of strategic and tactical objectives and must also address a framework to ensure the smooth flow of knowledge and information for the strategic decision making of businesses. It is vital to develop a measurement and analysis process for the business systems. The literature implies and puts forward that to realize viable corporate accomplishment, certain performance estimation techniques must be considered as different gauges recognized by scholars in the field of 'management'. Literature addresses that enhancing a firm's competence and business results is becoming crucial and fundamental for managers in the present day. It also highlights a significant aspect that it is the superlative and finest corporate strategies which tend to yield exceptional business performance and upshots. Literature submits that corporate and professional strategies play a progressive part in the organizational performance. Identifying and distinguishing the foundations of performance and improved results appear to be really essential exclusively in the standpoint of the contemporary worldwide predicaments and crunches for the reason that it supports a business to classify elements which ought to be led to mend and enrich performance of organizations. Henceforth, scholars endorse that organizations must implement and embrace certain suitable schemes and approaches which tend to enrich satisfactory and sufficient performance of organizations [33, 34]. When an organization fails, it reveals certain symptoms such as shrinking financial resources, negative profitability, shrinking market, loss of legitimacy, exit from international market and severe market erosion. Other researchers have come up with different causes of failure, for instance, irrespective of the size of any business large, medium or small, several researches and statistics appear to have ranked poor management or management inability the main cause of business failure in general. So far, the reasons of failed organizations have been discussed. Now, removing these failure causes lead to the establishment of successful firms and the factors that cause them to prosper are being highlighted here. Successful firm are those that provide an acceptable rate of return on assets employed. Success is measured in terms of achieving its stated goals and objectives. Business performance tells about growth, profitability, efficiency, and market share. Entrepreneurial competencies refer to knowledge, attitude, and skills of entrepreneur. Other success factors include effective time management, effective communication, human resource management, leadership qualities, decision making skills, marketing and financial management and business ethics.

As there are number of factors responsible for success and failure of a business but as these vary from place to place, therefore, a research is needed to find out exactly what factors are mostly responsible for success or failure of the businesses in district Swat [35].

RESEARCH HYPOTHESES

Based on the above literature, the hypothesis are postulated as follows:

1. Entrepreneurial Orientation positively affects organizational performance.
2. Entrepreneurial Orientation positively affects organizational resilience capacity.
3. Organizational Resilience Capacity happens to mediate the connection between 'entrepreneurial orientation' and 'organizational performance'.

4. RESEARCH METHODOLOGY

4.1 Demographics:

The managers of the textile sector of Pakistan were the respondents of the study. The second section of the survey questionnaire catalogues the demographic delineations of the respondents of the study. The items listed in the demographic section were assessed on a nominal scale where gender was marked as 1 for male and 0 for female, Age was indicated as 1 for 20-29 years, 2 for 30 to 39 years, 3 for 40 to 49 years, 4 for 50 to 59 years; organizational age was assigned 1 for less than 5 years, 2 for 5 to 10 years and 3 for above 10 years; education was ascribed as 1 for Graduation, 2 for Masters and 3 for M.Phil and 4 for Ph.D, Similarly, experience of the respondents was classified as 1 for one to five years, 2 for six to ten years, 3 for eleven to fifteen years, 4 for sixteen to twenty years, 5 for 21 to 25 years and 6 for experience over 25 years. The organizational size was also dispensed as 1 for 50 to 100 employees, 2 for 100 to 200 employees, 3 for 200 to 300 employees and 4 for more than 300 employees.

4.2 Research Design:

The research scales have been adopted from the previous research studies. A five-point likert scale has been used for the data collection. The reliability of the Likert scales is usually determined by employing proper reliability estimate such as Cronbach alpha. Because the Likert scales have multiple entries, therefore they may be apprehended as interval scales in order to harness descriptive statistics long with the correlation analysis, factor analysis, analysis of variance and other modus operandi. Research scholars are frequently apprehensive regarding the variances among the scales of assessment considering their propositions and inferences in order, to make a judgment as to which pertinent statistical analyses were to be applied aptly for every respective item. The instrument is designed in English language.

4.3 Sample Size:

The sampling frame of Pakistan textile industry includes textile organizations that are registered with the following groups like All Pakistan Textile Mills Association (APTMA) and Pakistan Ready Made Garments Manufacturers Exports Association (PRGMEA). The membership list of these groups was obtained mainly from their head offices and some from Lahore Chamber of Commerce and Industry. Three hundred and seventy-six companies are registered with APTMA whereas there are almost 1100 companies registered with PRGMEA. It is evidenced that if the size of the total population turns out to be near to 1500 which is 1476 in our case of textile mills then the sample size required should be around 310 at a confidence interval of 95% and a margin error of 5% [35]. In the present research study, the population is 1476 both of APTMA and PRGMEA and the sample size $N = 308$ which is adequate and satisfactory to realize at a confidence interval of 95% with a margin of error at 5%.

5. EMPIRICAL FINDINGS AND DISCUSSION

5.1 Reliability Analysis:

The indicator used for reliability is Cronbach alpha that provides the consistency and reliability assessment of the hypothesis or the variable. Hence, the reliability of the data was assessed and realized by means of Cronbach's alpha. The version of SPSS which was employed to analyze the data is 20th edition. In general, the overall reliability is found to be 0.81 which tends to be approvingly reasonable. The reliability of the particular variables was also ascertained to be more than 0.70 which is also within the acceptable limits as substantiated by [36]. The reliability of Entrepreneurial Orientation is found to be 0.767, whereas the reliabilities of Organizational Resilience Capacity and Organizational Performance were corroborated to be 0.936 and 0.90 respectively as shown in table. As the reliability values of the constructs tend to be more than 0.70, hence it means that they fall under the acceptable range [36].

Findings from the correlation analysis suggest that there exists a positive relationship among all variables. The correlation between organizational resilience capacity and entrepreneurial orientation also tends to be strongly associated ($r = 0.755$). The correlation value between entrepreneurial orientation and organizational performance appears to be 0.678 and the value of correlation coefficient between the variables organizational resilience capacity and organizational performance is 0.727 which means that there exists an influentially strong association between the variables; hence, it would be beneficial for the managers in the textile sector to make use of the resilient practices in order to uplift and enhance performance of organizations.

5.2 Regression Analysis:

There are certain directions or guidelines for the mediation which are given below:

- ❖ If the path c' is insignificant, then full mediation exists within the model.
- ❖ If all the paths a , b , c , and c' are significant, then it means that the model has partial mediation.
- ❖ If any of the paths such as a , b and c appears to be insignificant, then there is no mediation within the model.

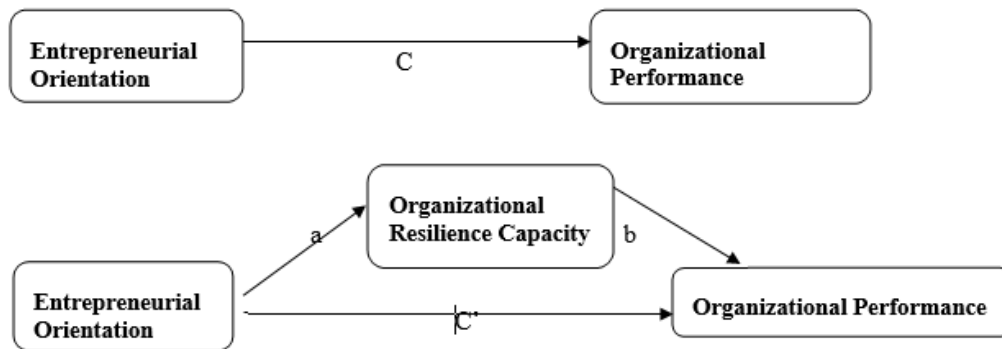


Figure 1(a) and 1 (b)

The four steps presented are applied in order, to assess the influence of mediators between the variables. These steps imply that partial or full mediation exists in case all the steps are fulfilled in the light of the given rules.

Table 1: Path Analysis

Path	Coefficients	s.e.	T	Sig(two)
c(YX)	0.6291	0.390	16.1167	.0000
a(MX)	0.6298	0.0313	20.1435	.0000
b(YM.X)	0.5581	0.0639	8.7283	.0000
c'(YX.M)	0.2776	0.0533	5.2042	.0000

X= Entrepreneurial Orientation (Independent variable)

Y= Organizational Performance (Dependent variable)

M= Organizational Resilience Capacity (Mediator)

The above table shows that entrepreneurial orientation is a significant conjecturer of organizational performance after regression analysis is done. It is also seen that the entrepreneurial orientation has a significant association with organizational resilience capacity and further, organizational resilience capacity appears to have a significant association with organizational performance. This reflects that partial mediation exists between entrepreneurial orientation, organizational resilience capacity as well as organizational performance because all the paths (variables) display a substantial and meaningful nexus with each other. All the steps and rearrangements for simple mediation have been steered via SPSS Macro established and designed by [37].

Table 2: Model summary

Model Summary for DV Model					
R-sq	Adj R-sq	F	df1	df2	P
0.5672	0.5644	199.8746	2.0000	305.0000	0.0000

From the above table, it can be ascertained that the R square value is 0.5672 and the adjusted R square value appears to be 0.5644 which denotes that 56.44% variability in organizational performance is shared and contributed by the mediating variable i.e. organizational resilience capacity and the independent variable. i.e. entrepreneurial orientation. This model summary depicts that there exist high levels of significance between the variables and it throws light on the fact as to how adequately and fairly a dependent variable might be envisaged and calculated. After it has been substantiated by the Barron and Kenny steps that there exists mediation in the model, then there is another test known as the Sobel test which is applied to assess the mediation within the model and to check the significant or insignificant association of the mediator. The results of the sobel test are shown in the following table:

Table 3: Sobel Test

	Test Statistic (Z)	Std. Error	p-value
Sobel Test	8.0005	0.0439	.0000

The above table reflects that there appears to be an indirect significant mediation between the independent and the dependent variables. This means that organizational resilience capacity mediates the relationship between the entrepreneurial orientation and organizational performance.

Model Summary for the Dependent Variable (Organizational Performance)

Table 4: Full Model Summary

R	R-Square	MSE	F	df1	df2	P
0.7793	0.6073	0.1133	117.1642	4.0000	303.0000	0.0000

It can be projected from the above table that overall model turns out to be significant statistically. The R square value is 0.7793 and the adjusted R square value appears to be 0.6073 which signifies that 60.73% variability is shared amongst the independent and dependent variables. This model summary depicts that there exist high levels of significance between the variables and it explains as to how adequately and fairly a dependent variable might be envisaged and estimated. Since the value of mean squared error is near to zero, therefore it suggests a sound model fit.

After conducting an empirical analysis, it has been observed that the organizational entrepreneurial orientation is significantly associated with the organizational performance which establishes that the results of this hypothesis are in calibration with the previous studies. It is significant to note that this research framework and results from the textile sector advocate the fact that 'Entrepreneurial Orientation' has a positive and explicit rapport and correlation with organization performance. It entails that the management of organizations must focus on the entrepreneurial orientation of managers as well as other entrepreneurial capabilities in order to enrich and augment organizational performance.

Outcomes of the mediating effect model depict that Organizational Resilience Capacity has a significant association with organizational performance. Correspondingly, the findings also infer and extrapolate that a positive and definite mediating relationship exists between the independent variable (Entrepreneurial Orientation), mediating variable (Organizational Resilience Capacity) and dependent variable (Organizational Performance). Consistent and in alignment with the findings of [11], organizational resilience capacity serves as a significant constituent of the organizational performance model.

6. CONCLUSION AND IMPLICATIONS

This study brings into contemplation that there are certain necessary principles and dynamics which may perhaps boost the performance of textile organization of Pakistan that entails entrepreneurial orientation and resilient practices within an organization. This research study principally reconnoitred and probed the effects of entrepreneurial orientation and resilience capacities on the performance and business results of textile establishments in Pakistan by employing the projected and recommended schematic representation contributed in this piece of composition. The researcher has also taken into account the mediating role of organizational resilience capacity on the performance of textile syndicates. Today, associations are looking for creative and compelling survival is a fundamental prerequisite, and numerous associations are progressively searching for inventive and entrepreneurial ways to deal with enhance the viability, productivity and adaptability. Along these lines, business enterprise are quickly turning into a bludgeon of decision for some associations. Enterprise and entrepreneurial aptitudes and outlook to try to incorporate these highlights with the way of life and mentality of the association's exercises [38]. Entrepreneurial orientation is an important element of organizations all over the world and all companies use and

implement strategic management. Studies showed that organizational performance is higher in organizations which are committed to strategic management. Establishment of a link between environment of an organization and its strategies, structure of an organization and its process has positive impacts on performance [39].

The conclusions and results drawn from this pragmatic and explorative research study have highlighted that entrepreneurial orientation has an affirmative as well as significant causative upshot on the textile sector's performance. The findings thus advocate the fact that organizations possessing these potentials and aptitudes are likely to endure any sort of adversities and subsequently their performance convalesces as well as recuperates which suggests that it is better for managers to instigate and execute these structural, managerial and administrative fundamentals within their organizations.

This piece of manuscript also gives practical information and guidance for the managers working in the textile sector to employ these practices of enhanced entrepreneurial orientation and resilient competencies to attain improved results which have been dwindling in the previous years. This implies that managers must focus on building up the strengths of their respective organizations by inculcating and fostering the attributes of entrepreneurial orientation and resilient methods and behaviours.

This particular research work contributes to the extant management literature by providing observed and experiential substantiation from the textile association of Pakistan which is an emerging economy from one of the developing countries. The results of this study are consistent with the findings of surveys from the developed countries. It is urged that in order to sustain and improve its performance the textile sector of Pakistan must focus on the implementation of courses of action that include entrepreneurial orientation and resilient capacities; correspondingly meeting the criterions and hallmarks of the international arcade. Though the load shedding problem comes from the systematic process but companies have to cover it by its own limited resources. For example most of the companies are trying to set up their own energy power stations. Some leading textile companies are generating their own power supply to avoid these circumstances. Government should encourage the large units to produce energy and supply it to other small units [41].

7. LIMITATIONS AND DIRECTIONS FOR FURTHER RESEARCH

This research study has manifold limitations. Since the focus of this research work was limited to the textile industry of Pakistan only therefore the results and discoveries of this piece of writing may not reflect and streamline with the other manufacturing and services divisions both in the international and the national perspectives. It is also important to note that the data collected for this research was cross-sectional, therefore other researchers may take into account longitudinal evaluation and examination in the future. This research model may also be protracted and simulated in different other industries, corporations and spheres of interest to the other scholars. Likewise, the researcher has applied correlation and regression analysis including factor analysis; on the contrary other investigators may apply other statistical analysis and techniques to obtain further acumens and discernments pertaining to the research model. In addition, future research may also consider other factors or variables that may give further validations to the organizational performance models. The hypothetical and conceptual model may also be applied in different industries and settings to attain a generalized speculation of this research model.

REFERENCES

- [1] Ahmed, M. U., Kristal, M. M., & Pagell, M. (2014). Impact of operational and marketing capabilities on firm performance: Evidence from economic growth and downturns. *International Journal of Production Economics*, 154, 59-71.
- [2] Richard, P. J., Devinney, T. M., Yip, G. S., & Johnson, G. (2009). Measuring organizational performance: Towards methodological best practice. *Journal of Management*, 35(3), 718-804.
- [3] March, J. G., & Sutton, R. I. (1997). Crossroads—organizational performance as a dependent variable. *Organization science*, 8(6), 698-706.
- [4] Folke, C. (2006). Resilience: The emergence of a perspective for social–ecological systems analyses. *Global environmental change*, 16(3), 253-267.
- [5] Bonanno, G. A., Wortman, C. B., Lehman, D. R., Tweed, R. G., Haring, M., Sonnega, J., ... & Nesse, R. M. (2002). Resilience to loss and chronic grief: a prospective study from preloss to 18-months postloss. *Journal of personality and social psychology*, 83(5), 1150.

- [6] Starr, R., Newfrock, J., & Delurey, M. (2003). Enterprise resilience: managing risk in the networked economy. *Strategy and Business*, 30, 70-79.
- [7] Callaway, D. S., Newman, M. E., Strogatz, S. H., & Watts, D. J. (2000). Network robustness and fragility: Percolation on random graphs. *Physical review letters*, 85(25), 5468.
- [8] Hamel, G., & Valikangas, L. (2003). Why resilience matters. *Harvard Business Review*, 81(9), 56-57.
- [9] Corbetta, G., & Salvato, C. (2004). Self-serving or self-actualizing? Models of man and agency costs in different types of family firms: A commentary on "comparing the agency costs of family and non-family firms: Conceptual issues and exploratory evidence". *Entrepreneurship Theory and Practice*, 28(4), 355-362.
- [10] Comrey, A. L., & Lee, H. B. (2013). *A first course in factor analysis*. Psychology Press.
- [11] Lengnick-Hall, C. A., Beck, T. E., & Lengnick-Hall, M. L. (2011). Developing a capacity for organizational resilience through strategic human resource management. *Human Resource Management Review*, 21(3), 243-255.
- [12] World Bank Report, 2017
- [13] McManus, S., Seville, E., Vargo, J., & Brunson, D. (2008). Facilitated process for improving organizational resilience. *Natural Hazards Review*, 9(2), 81-90.
- [14] Annarelli, A., & Nonino, F. (2016). Strategic and operational management of organizational resilience: Current state of research and future directions. *Omega*, 62, 1-18.
- [15] Hornsby, J. S., Kuratko, D. F., & Zahra, S. A. (2002). Middle managers' perception of the internal environment for corporate entrepreneurship: assessing a measurement scale. *Journal of business Venturing*, 17(3), 253-273.
- [16] Fernández-Mesa, A., & Alegre, J. (2015). Entrepreneurial orientation and export intensity: Examining the interplay of organizational learning and innovation. *International Business Review*, 24(1), 148-156.
- [17] Mintzberg, H. (1973). The nature of managerial work.
- [18] Lumpkin, G. T., & Dess, G. G. (2001). Linking two dimensions of entrepreneurial orientation to firm performance: The moderating role of environment and industry life cycle. *Journal of business venturing*, 16(5), 429-451.
- [19] Todorovic, Z. W., & Ma, J. (2008). Entrepreneurial and market orientation relationship to performance: The multicultural perspective. *Journal of Enterprising Communities: People and Places in the Global Economy*, 2(1), 21-36.
- [20] Bojica, A. M., & Fuentes, M. D. M. F. (2012). Knowledge acquisition and corporate entrepreneurship: Insights from Spanish SMEs in the ICT sector. *Journal of World Business*, 47(3), 397-408.
- [21] Hart, S. L. (1992). An integrative framework for strategy-making processes. *Academy of management review*, 17(2), 327-351.
- [22] Hornsby, J. S., Kuratko, D. F., & Zahra, S. A. (2002). Middle managers' perception of the internal environment for corporate entrepreneurship: assessing a measurement scale. *Journal of business Venturing*, 17(3), 253-273.
- [23] Lumpkin, G. T., & Dess, G. G. (1996). Clarifying the entrepreneurial orientation construct and linking it to performance. *Academy of management Review*, 21(1), 135-172.
- [24] Zahra, Shaker A., and Jeffrey G. Covin. "Contextual influences on the corporate entrepreneurship-performance relationship: A longitudinal analysis." *Journal of business venturing* 10, no. 1 (1995): 43-58.
- [25] Lengnick-Hall, C. A., & Beck, T. E. (2009). "Resilience capacity and strategic agility: prerequisites for thriving in a dynamic environment". *UTSA, College of Business*.
- [26] Seay, S. S. (2015). How Incorporating a Sustainable Business Model Creates Value. *Business Studies Journal*, 7(1).
- [27] Linnenluecke, M. K., & Griffiths, A. (2015). *The Climate Resilient Organization: Adaptation and Resilience to Climate Change and Weather Extremes*. Edward Elgar Publishing.

- [28] Zimmerman, M. A., &Brouthers, K. D. (2012). Gender heterogeneity, entrepreneurial orientation and international diversification. *International Journal of Gender and Entrepreneurship*, 4(1), 20-43.
- [29] Smit, B., &Wandel, J. (2006). Adaptation, adaptive capacity and vulnerability. *Global environmental change*, 16(3), 282-292.
- [30] Orchiston, C., Prayag, G., & Brown, C. (2016). Organizational resilience in the tourism sector. *Annals of Tourism Research*, 56, 145-148.
- [31] Abylaev, M., Pal, R., &Torstensson, H. (2014). Resilience challenges for textile enterprises in a transitional economy and regional trade perspective—a study of Kyrgyz conditions. *International Journal of Supply Chain and Operations Resilience*, 1(1), 54-75.
- [32] Frolick, M. N., &Ariyachandra, T. R. (2006). Business performance management: One truth. *IS Management*, 23(1), 41-48.
- [33] Adegbuyi, O. A. and Oke, AdunolaOluremi and Worlu, Rowland E.K. and Ajagbe, Akintunde M. (2015) Archival Review of the Influence of Organizational Strategy on Organizational Performance. In: *International Conference on African Development Issues (CU-ICADI) 2015: Social and Economic Models for Development Track*, African Leadership Development Centre, Covenant University Canaanland, OtaOgun State, Nigeria.
- [34] Shafiq, M., Lasrado, F., &Hafeez, K. (2017). The effect of TQM on organisational performance: empirical evidence from the textile sector of a developing country using SEM. *Total Quality Management & Business Excellence*, 1-22.
- [35] Krejcie, R. V., & Morgan, D. W. (1970). Determining sample size for research activities. *Educational and psychological measurement*, 30(3), 607-610.
- [36] Murphy, K. M., Shleifer, A., &Vishny, R. W. (1989). Industrialization and the big push. *Journal of political economy*, 97(5), 1003-1026.
- [37] Preacher, K. J., & Hayes, A. F. (2004). SPSS and SAS procedures for estimating indirect effects in simple mediation models. *Behavior research methods*, 36(4), 717-731.
- [38] Jehangir, M., Fazal Haleem, D., Jan, S., & Haq, Z. U. (2016). Why Do Some Businesses Succeed Whilst Others Fail? Evidence from District Swat, KPK, Pakistan. *J. Appl. Environ. Biol. Sci.*, 6(2), 153-163.
- [39] Shafiei, F., Ajili, Z. G, Ajili, A. H (2013) Relationship between the Spiritual Leadership and Organizational Entrepreneurship with Regard to the Mediating Role of Organizational Learning. *J. Appl. Environ. Biol. Sci.*, 3(6)21-30
- [40] Aligholi, M. , Gheshlagh, Y. B. (2014) “Evaluation of the Influence of Strategic Management Dimensions on Organizational Performance (Case Study: Ardebil Municipality)” *J. Appl. Environ. Biol. Sci.*, 4(9)78-86, 2014
- [41] Shahzad, M.I., Mahmood, B., Iqbal, J. & Akhtar, M. N. “Economic Impact of Energy Crisis on the Textile Sector: A Case Study of Pakistan” *J. Appl. Environ. Biol. Sci.*, 7(9)39-46