



College of Business and Economics
Post Graduate Studies of MBA Program

The Role of Strategic Orientations on Organizational Performance: The Moderating Effect of
Government Regulation (The Case of Ethio Telecom)

by:

Belete Ejigu Zeleke

Id No: GSR/1485/16

To Supervisor:

Asres Abitie (PhD)

Department of Management

A Thesis Submitted in Partial Fulfillment of the Requirements for the Degree of Masters in
Business Administration of the Addis Ababa University of College of Business and Economics

Ethiopia, Addis Ababa, AAU

May 2025

Addis Ababa University
College of Business and Economics
Post Graduate Studies of MBA Program

The Role of Strategic Orientations on Organizational Performance: The Moderating Effect of
Government Regulation (The Case of Ethio Telecom)

by:

Belete Ejigu Zeleke

May 2025

Addis Ababa

Declaration

I, here by Belete Ejigu declare that this thesis entitled "*The Role of Strategic Orientations on Organizational Performance: The Moderating Effect of Government Regulation the Case of Ethio Telecom*", is the outcome of my own effort that was undertaken under close supervision of my advisor Dr. Asres Abitie. Accordingly, I would like to justify that this material is my own original work and produced independently. This study has not been submitted for any degree in this university or any other university and all the materials used for developing this thesis have been duly acknowledged. It is offered for the partial fulfillment of the degree of Master of Arts in Business Administration (MBA).

Name of Participant: Belete Ejigu

Signature



Date

17-07-2025

Confirmed by Advisor:

Asres Abite (PhD)

Signature



Date

17-07-2025

Approval

This is to certify that this thesis entitled "*The Role of Strategic Orientations on Organizational Performance: The Moderating Effect of Government Regulation the Case of Ethio Telecom*" submitted in partial fulfillment of the requirements for the award of the Master of Business Administration (MBA) degree in the department of management, College of Business and Economics, Addis Ababa University, done by Belete Ejigu, Id No GSR/1485/16 is an authentic work carried out by him under the guidance of his advisor. The materials embodied in this thesis have not been submitted earlier for the award of any degree to the best of our knowledge and belief.

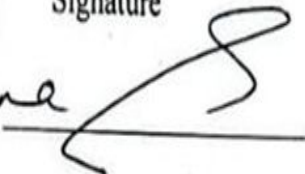
Approval: Board of Examiners

Asres Abetie (PhD)  17-07-2025

Name of Advisor

Signature

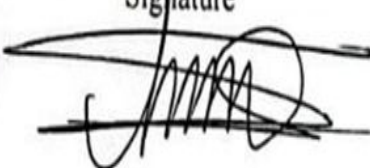
Date

Tariku Tekere  17-07-2025

Name of External Examiner

Signature

Date

Haftamu E.  17-07-2025

Name of Internal Examiner

Signature

Date

Abstract

In today's dynamic and regulated global markets, strategic orientation is increasingly recognized as a key determinant of organizational performance, particularly in emerging economies where external constraints such as government regulation are pronounced. This study investigates The Role of Strategic Orientations on Organizational Performance: The Moderating Effect of Government Regulation, with a specific focus on Ethio Telecom. The general objective was to examine how strategic orientations affect performance in public enterprise, while the specific objectives were: (1) to analyze the effect of Market Orientation, (2) evaluate the influence Innovation Orientation, (3) assess the influence of Technology Orientation, (4) investigate effect of Entrepreneurial Orientation, (5) examine the impact of Learning Orientation, and (6) explore the moderating role of Government Regulation in relationships between strategic orientation and performance. The research was guided by Resource-Based View (RBV), Dynamic Capability Theory (DCT), and Contingency Theory. The study employed concurrent triangulation mixed-methods approach. A descriptive and explanatory research design was adopted. The study used both probability (stratified random sampling) and non probability (purposive) sampling technique to select 196 valid respondents from top, middle, and lower-level managers, complemented by purposive sampling for qualitative insights a total of seven key informants from HRM, Strategic program, Finance oppression, Marketing, Technology and Supply chain management departments. Both primary data (structured survey questionnaire and interview guide) and secondary sources (internal documents and reports) were utilized. Data were analyzed using SPSS (for descriptive and regression analyses) and PROCESS Macro Model 4 (for Moderation analysis with 5,000 bootstrap samples). Findings from descriptive analysis revealed Ethio Telecom possesses strong Market Orientation ($M = 4.20$), particularly in Customer Orientation ($M = 4.27$) and Inter-functional Coordination ($M = 4.25$), but lags in Competitor Orientation ($M = 4.09$). Innovation Orientation is notable yet constrained by a top-down structure and limited risk tolerance. Technology Orientation ($M = 3.97$) and Learning Orientation show internal strengths but weak external knowledge acquisition. Inferential analysis confirmed significant positive effects of all five strategic orientations on organizational performance ($R^2 = 0.696$), with Market Orientation ($B = 0.415$, $p < 0.001$) having the strongest influence. The Moderation analysis revealed that while both strategic orientation ($B = 4.168$, $p < .001$) and government regulation ($B = 2.486$, $p < .001$) positively affect performance, the interaction term was negative and significant ($B = -0.665$, $p < .001$), indicating that higher/strict regulation weakens the impact of strategic orientation. Conditional effects confirmed this diminishing trend across increasing levels of regulation. Key recommendations include enhancing Competitor Orientation, deepening technology integration, fostering bottom-up innovation and promoting a learning-based culture as well as adopts performance-based governance (performance-oriented regulatory framework), enhance strategic autonomy (greater decision-making freedom) and promote regulatory flexibility (adaptive and sector-sensitive regulations).

Keywords: Strategic orientation, government regulation, organizational performance, moderation analysis, emerging economies, PROCESS Macro Model

Table of Contents

Declaration.....	i
Approval	ii
Abstract.....	iii
Table of Contents.....	iv
Acknowledgements.....	vii
List of Figures.....	ix
List of Tables	x
Acronyms and Abbreviations	xi
List of Appendices	xii
CHAPTER ONE	1
INTRODUCTION	1
1.1. Introduction.....	1
1.2 Background of the Study	1
1.3 Statement of the Problem.....	3
1.4 The Objective of the study	5
1.4.1 General Objective	5
1.4.2 Specific Objectives	5
1.5 Research Question	6
1.5. Hypotheses.....	6
1.6 Significance of the study.....	6
1.7 The Scope of the study.....	7
1.7.1 Thematic Scope.....	7
1.7.2 Spatial Scope	8
1.7.3 Temporal Scope	8
1.8 Limitations of the Study.....	8
1.9 Operational Definition of key Terms	8
1.10 Organization of the Study	10
CHAPTER TWO	11

LITERATURE REVIEW	11
2.1 Introduction.....	11
2.2 Conceptual Literature.....	11
2.2.1 Dimensions of Strategic Orientation.....	11
2.3 Organizational Performance	14
2.4 Government Regulation in Emerging Economies.....	15
2.4.1. Strategic Orientation and Government Regulation	16
2.4.2 Government Regulation and Organizational Performance	17
2.5 Theoretical Literature.....	17
2.5.1 Institutional Theory.....	17
2.5.2 Resource-Based View (RBV).....	18
2.5.3 Dynamic Capability Theory (DCT)	19
2.5.4 Contingency Theory	21
2.5.5 Innovation Diffusion Theory	22
2.6 Empirical Literature	22
2.6.1 Organizational Performance and Strategic Orientation	22
2.6.2 Market Orientation and Organizational Performance.....	23
2.6.3 Innovation Orientation and Organizational Performance	23
2.6.4 Technology Orientation and Organizational Performance	24
2.6.5 Learning Orientation and Organizational Performance.....	25
2.6.6 Entrepreneurial Orientation and Organizational Performance	25
2.7 Research Gap	26
2.8 Conceptual Framework	29
CHAPTER THREE	32
RESEARCH METHODOLOGY	32
3.1 Introduction.....	32
3.2 Description of the Study Area/Ethio Telecom.....	32
3.3 Research Philosophy	33
3.4 Research Design.....	34
3.5 Research Approach	34
3.6 Population, Sample and Sampling Design	35

3.6.1 Population	35
3.6.2 Target Population.....	35
3.6.3 Unit of Analysis	35
3.6.4 Sampling Frame and Sampling Technique	36
3.6.5 Sample Size and Selection Procedure	36
3.7 Selection of Variables and Measures	37
3.8 Data Type, Data Source and Method of Data Collection.....	39
3.8.1 Data Types and Measurement Scales	39
3.8.2 Source of Data.....	40
3.8.3 Data Collection Techniques	41
3.9. Data Analysis Methods and Mode of Presentation	42
3.9.1 Data Analysis Methods	42
3.9.2 Mode of Data Presentation.....	44
3.10 Quality Assurance: Validity, Reliability, and Ethical Considerations	45
3.10.1 Validity	45
3.10.2 Reliability.....	45
3.10.3 Ethical Considerations.....	45
CHAPTER FOUR.....	47
FINDINGS, RESULTS AND DISCUSSIONS	47
4.1 Introduction.....	47
4.2 Response Rate and Reliability Analysis	47
4.2.1 Response Rate.....	47
4.2.2 Reliability Analysis.....	47
4.3 Respondents Profile	48
4.4 Strategic Orientation Practice and Organizational Performance.....	50
4.4.1 Market Orientation	50
4.4.2 Innovative Orientation.....	54
4.4.3 Technology Orientation	58
4.4.4 Learning Orientation	60
4.4.5 Entrepreneurial Orientation	65
4.4.6 Government Regulation.....	68

4.5 Inferential Statistics	78
4.5.1 Correlation Analysis Result	79
4.5.3 Multiple Regressions without Moderation	84
4.5.4 Hypothesis Testing Results	87
4.5.5 The Moderating Role of Government Regulation in the Relationship between	91
Strategic Orientation and Organizational Performance	91
CHAPTER FIVE	97
SUMMARY, CONCLUSION AND RECOMMENDATIONS	97
5.1 Introduction.....	97
5.2 Summary	97
5.3 Conclusion	99
5.4 Recommendations.....	100
5.5 Theoretical contribution and Practical Implication.....	104
5.6 Limitations and Future Research Directions.....	106
References	108
Annexes	122

Acknowledgements

First of all, I would like to thank the almighty God for giving me the physical and mental capability to pursue my goals. This would not have been possible without the assistance of a number of people and institutions.

I am very grateful to my esteemed Advisor and mentor Asres Abitie (PhD) for his wonderful constructive comments, continued guidance and great support for the successful accomplishment of this research. I would also like to thank him for not giving up on me in the due course of the research period.

I would also like to thank my family particularly my mother, Mulunesh Hunegnaw for her special support. My gratitude then goes to my sisters AddisAbabaWork Ejigu and Adanech Ejigu as well as my brother Abiyot Ejigu for their moral and material support as well as constantly motivating and pushing me to achieve my objective.

Lastly, it is my great pleasure to express my appreciation to all of my survey respondents and key informants in Ethio Telecom, especially employees working in the department of HRM, Strategic Planning and Program, Marketing Unit, Financial Oppression, Technology, Supply Chain Management, Legal Affair, and Customer Service since all of whom in one way or the other contributed to the successful completion of this work. Special thanks go to the managers namely Mr. Tilahun, Mr. Yalew, Mr. Seid, Mr. Mesay and W/O Sena who played a great role in the data collection process.

List of Figures

Figure 2.1 Conceptual Framework.....	30
Figure 4.1 Histogram Normal Distribution of Data.....	82
Figure 4.2 Scatter Plot.....	83
Figure 4.3 Conceptual Moderation	91
Figure 4.4 Interaction Effect of Government Regulation on the Relationship Between Strategic Orientation and Organizational Performance	96

List of Tables

Table 2.1 Research Gap Analysis	27
Table 3.1 Distribution of Samples for Survey Questionnaire.....	37
Table 3.2 Operationalization of Variables	38
Table 3.3 Key Informants	44
Table 4.1 Response Rate.....	47
Table 4.2 Results of Reliability for Cronbach's Alpha.....	48
Table 4.3 Respondents Demographic Profile.....	49
Table 4.4 Marketing Orientation.....	53
Table 4.5 Innovative Orientation	54
Table 4.6 Technology Orientation	58
Table 4.7 Learning Orientation.....	61
Table 4.8 Entrepreneurial Orientation	65
Table 4.9 Government Regulation.....	69
Table 4.10 Financial Performance	70
Table 4.11 Ethio telecom Revenue Growth over the Last Six Years.....	72
Table 4.12 Ethio telecom Net Profit over the Last Four Years.....	73
Table 4.13 Non-Financial Performance	74
Table 4.14 Correlation Result: Strategic Orientation, Government Regulation and Organizational Performance	80
Table 4.15 Univariate Outliers.....	81
Table 4.16 Statistic of Shapiro-Wilk Test.....	82
Table 4.17 Model Summary with Durbin-Watson Statistics	84
Table 4.18 Multicollinearity	84
Table 4.19 Regression Model Summary	85
Table 4.20 ANOVA	85
Table 4.21 Regression Coefficients	87
Table 4.22 Hypotheses Results	91
Table 4.23 Regression Model Summary.....	92
Table 4.24 Summary of Moderated Regression Analysis Predicting Organizational Performance	93
Table 4.25: Conditional Effect of Strategic Orientation	94

Acronyms and Abbreviations

ANOVA	Analysis of Variance
CI	Confidence Interval
CO	Competitor Orientation
CRM	Customer Relationship Management
CS	Customer Satisfaction
DCT	Dynamic Capability Theory
ECA	Economic Commission for Africa
EO	Entrepreneurial Orientation
ESE	Employee Satisfaction and Engagement
FinTech	Financial Technology
FP	Financial Performance
GR	Government Regulation
HRM	Human Resource Management
IFC	Inter-Functional Coordination
IO	Innovation Orientation
IT	Information Technology
JAMA	Journal of the American Medical Association
LO	Learning Orientation
MiTech	Ministry of Technology
MO	Marketing Orientation
NFP	Non-Financial Performance
OP	Organizational Performance
RBV	Resource Based View
R&D	Research and Development
ROI	Return on Investment
SCM	Supply Chain Management
SD	Standard Deviation
SO	Strategic Orientation
TO	Technology Orientation

List of Appendices

Annex 1. Survey Questionnaire

Annex 2. Semi Structured Interview

Annex 3. Time Plan

Annex 4. Letter of Authorization/Letter of Approval for Data collection

CHAPTER ONE

INTRODUCTION

1.1. Introduction

This study examines the role of strategic orientation on organizational performance using government regulation as a moderator in Ethio Telecom, which is among the giant state-owned telecommunication organizations in Ethiopia. Strategic orientation refers to the approaches and actions companies use to respond to changes in their environment and how it improves performance (Kumar et al., 2012; Grawe et al., 2009). It includes various dimensions such as market, innovation, technology, learning and entrepreneurial orientation (Obeidat, 2016; Mu & Di Benedetto, 2011). Over the past two decades, empirical research on the impact of strategic orientation on organizational performance has grown, but there is still limited research in developing countries, especially in government-regulated organizations like Ethio Telecom. This study aims to fill gaps by exploring the moderating role of government regulation in the link between strategic orientation and organizational performance. The research aims to provide deeper insights into how strategic orientations contribute to organizational success guided by relevant theoretical frameworks. This chapter also presents the background of the study, problem statement, research objectives and guiding questions, hypotheses, significance, scope, limitations, key terms, and the overall structure of the thesis.

1.2 Background of the Study

In an increasingly globalized business environment, organizations play significant role towards a country's development through economic, social, and political function. As Ahlstrom (2012) notes, globalization has led to a shift in market dynamics because organizations undergo intense competition and turbulence in the market; as such, it is necessary to align the internal resources with external conditions to attain competitive advantage. As defined by Zhou and Li (2010), strategic orientation or fit is the way in which an organization aligns its internal resources with the state of the external market. Strategic orientation encompasses dimensions like market, technological, innovation, learning, entrepreneurial, and network orientation which assist in sustaining long-term competitiveness (Lukas & Ferrell, 2010; Valos & Bednall, 2010). All these orientations need to be pursued in harmony to guarantee operational efficiency and market responsiveness (Zhou & Li, 2010).

Strategic orientation is becoming vital for organizational success; so developing insight into how these dimensions affect organizational performance in a competitive and regulated market environment is a must or a prerequisite (Gatignon & Xuereb, 1997). In several studies strategic orientation is commonly categorized into market, innovation, technology, entrepreneurial, and customer orientations (Narver & Slater, 2010). Firms that focus on innovation orientation strives to enhance existing products, services, or processes to stay ahead of competitors. This approach encourages an atmosphere of creativity and continuous progress within the firm which allows the firm to respond to market needs and technological changes or advancement.

Companies that are highly technology driven allocate resources to R&D to create new products, whereas market driven firms concentrate on identifying customer requirements in order to provide greater value. Entrepreneurial orientation includes taking risks and innovating to develop new products, while customer orientation emphasizes developing a strategy to fulfill a market need and foster company-wide commitment to customer satisfaction (Shapiro, 2008). Kohli and Jaworski (2010), highlight that customer orientation focuses on collecting and using customer information to align business strategies that will work best for the customers. It is among the most important aspects for companies, as it leads to customer satisfaction and awareness (Appiah-Adu & Singh, 2010). If strategic orientations complement one another synergistically, new product commercialization may be supported by cooperatively, such that the effect of one activity may facilitate the efficiency and effectiveness of others. The theoretical foundations for this study employs two primary frameworks: the environment-strategy-performance theory of Child (1972), which argue that there is a better performance due to a strategic fit between an organization and its environment; and the configuration theory of Walker & Ruekert (1987), which stress matching internal properties with strategic focus in an effort to improve performance.

Organizational performance is central to their development and success since it reflects the effectiveness with which they utilize resources like human, physical, and capital to achieve their common goals. The generation of value is the ultimate objective of organizational performance: if the value created from such resources is either equal to or greater than expectation, the company will grow up (Barney, 2001). Performance is quantifiable through both financial and non-financial metrics (Nanni, Dixon, & Vollmann, 1992). Financial performance indicates change in the financial state of an organization due to managerial decisions which may be reflected in terms of sales, earnings, and share prices indicating good or bad performance.

Besides, financial indicators such as profitability indexes, Return on Assets (ROA), and Return on Investment (ROI) are extensively used to assess business performance (Boonjing, Chanvarasuth, & Lertwongsatien, 2017). Non-financial performance consists of measures such as growth in market share, number of employees, customer satisfaction, innovation, and resource efficiency (Oslo, Slater, & Hult, 2005; Ittner & Larcker, 2001). The growth of job has become a common measure of success in the absence of financial information because it is positively associated with greater profitability (McPherson, 1996; Bigsten & Gebreeyesus, 2007). Subjective indices, such as employee and customer attitudes can also suggest useful information concerning organizational performance (Garoma, 2012). As such, in this study both financial and non-financial performance measures will be used to assess the organization's success.

The Ethiopian telecommunication sector has grown extremely in the recent years with both challenges and opportunities. Ethio Telecom's December 2023 business report stated that its customer list exceeded 77 million mobile subscribers, a reflection of high demand and growing market competition. The new entrant Safaricom, having 4.3 million active subscribers, has further intensified this competition, though Ethio Telecom remains a dominant leader with over 85% market share, encompassing 60.4% mobile connections, 19.4% internet users, and 5.5% social media users. In this competitive and regulated environment, Ethio Telecom will need to reconsider its strategy in order to maintain its lead. This research examines how the strategic orientation of Ethio Telecom, namely market, innovation, technology, learning, and entrepreneurship are shaping its performance and how governmental regulation as a Moderating factor limits or conditions the company in realizing these strategies.

1.3 Statement of the Problem

In today's rapidly changing and competitive environment, business organization in emerging markets particularly in highly regulated industries face multiple challenges in their regular operation including rapid technological advancements, shift in customer preferences and uncertain future demands. Ethio telecom as one of the top leading state-owned Telecom Company for 130 years is facing increasing challenges in maintaining its dominance in the evolving and competitive market conditions. Following the liberalization of the Ethiopian telecommunication market in 2021, the company has been challenged by emerging market players like Safaricom Ethiopia PLC. This has established a dynamic environment of more vibrant and competitive market and thus Ethio Telecom needs to innovate at a faster rate so that

they are able to keep up with emerging market demands, customers' expectations from them as well as technology paradigm shift.

Mokhtar et al. (2014) assert that market, innovation, technology, learning and entrepreneurial orientation in competitive industries (telecom) is a key performance determinant. Market orientation combines the ability of organizations to identify needs and wants of the potential customer, creates loyal customers base as well innovation with competitive advantage through existing new products and services provided (Ndesaulwa & Kikula, 2016). Entrepreneurial orientation is the ability of businesses to sense opportunities and react to uncertainty in many uncertain situations (Bokhari et al., 2020). Although it is very essential, there is little research on its combined effects with other orientations in combination depicting sufficiently how these collective orientations drive performance in an emerging economy such as Ethiopia where government intervention plays a dominant role shaping strategies among firms. Regulation creates opportunities as well as limitations under which Ethio Telecom operate. Khan et al (2022), a study reported that the policies of the government and more specifically market entry as well as technology innovation (directly influences how these make their way into the formulation of a business in its growth). Likewise, while Government policies are said to stabilize markets (Gacheru & Onyango ,2015), thereby restricting the flexibility of companies in responding to rapidly changing technology requirements and competition.

The entry of Safaricom Ethiopia PLC has pushed Ethio Telecom to re rethink its strategy as more competition arrives, and the expectations of customers are growing. The company has expanded its reach and presence but its performance is still very limited. The key strategic orientations such as market, innovation, technology, learning, and entrepreneurial orientations remain not fully utilized. For instance, the pace with which new technologies like 5G, cloud computing, IoT and AI-solution-based initiatives have been tardy. Similarly, ineffective entrepreneurial and marketing practices have eroded Ethio Telecom in becoming unique compared to others, acquiring new clients, as well as retaining existing ones. Furthermore, a lack of learning orientation also curtails the scope of the company in responding to industry trends as well as to the needs of customers.

In this fast-changing market, government regulation also significantly impacts the shaping of the company's strategies, either it helps or hinders the ability of the company to change. For instance, regulative policies on market entry, pricing, and innovation may facilitate or hamper Ethio

Telecom's strategic efforts. This calls for an understanding of how strategic orientations and regulation together affect the performance of Ethio Telecom.

Although there is growing research on strategic orientation, there is no study on how government regulation influences the relationship between strategic orientation and performance in developing economies. Most research has been conducted on developed economies or a single strategic orientation, without considering how different factors like market, innovation, technology, learning, and entrepreneurial orientations interact in regulated environments. Existing studies also show mixed results, particularly in emerging economies. For example, Nduati and Kavale (2015) found that in Kenya's cement industry, strategic orientation alone didn't improve performance; instead, internal coordination was more important. These findings may not be directly applicable to Ethiopia's telecom sector, where external market forces and regulatory frameworks are more influential.

Apart from the shortcomings of previous research work, there is a need for mixed-method studies on this topic. Most of the prior research studies have been purely quantitative with minimal effort toward integrating methodologies to capture more deeply how strategic orientation, government control, and performance are interrelated. Surprisingly, majority of research done in developing nations is focused on senior managers without taking into consideration the views of the lower-level managers (supervisors) who play key roles on the day-to-day activities and execution of strategies. This creates a gap in understanding how the strategic orientations are realized at different levels of organizational and how government regulation influences these process. As such, this study aims to bridge these gaps by investigating how strategic orientations influence the performance of Ethio Telecom, with a particular focus on the Moderating role of government regulation.

1.4 The Objective of the study

1.4.1 General Objective

The general objective of the thesis is to analyze the Role of Strategic Orientation on organizational performance using government regulation as a Moderator the case of Ethio telecom.

1.4.2 Specific Objectives

Based on the problem identified, the following specific objectives are outlined:

- To analyze the impact of market orientation on organizational performance.
- To evaluate the influence of innovation orientation on organizational performance.

- To examine the effect of technology orientation on organizational performance.
- To measure the impact of entrepreneurial orientation on organizational performance.
- To determine the influence of learning orientation on organizational performance.
- To test the moderating effect of government regulation in the relationship between strategic orientation and organizational performance.

1.5 Research Question

To answer the problem, the following research questions are formulated:

- How much is the effect of market orientation on organizational performance?
- How much is the influence innovation orientation on organizational performance?
- How much technology orientations effect the organizational performance?
- What is the effect entrepreneurial orientation on organizational performance?
- What is the level of influence does learning orientation have on organizational performance?
- How does government regulation moderate the relationship between strategic orientation and organizational performance?

1.5. Hypotheses

The following null hypotheses are formulated:

- HO₁: Market Orientation has significantly positive effect on organizational performance.
- HO₂: Innovation Orientation has significantly positive effect on organizational performance.
- HO₃: Technological Orientation has significantly positive effect on organizational performance.
- HO₄: Learning Orientation has significantly positive effect on organizational performance.
- HO₅: Entrepreneurial Orientation has significantly positive effect on organizational performance.
- HO₆: Strategic orientation has significantly positive effect on organizational performance.
- HO₇: Government Regulation has significantly positive effect on organizational performance.
- HO₈: Government Regulation positively moderates the relationship between strategic orientation and Organizational performance.

1.6 Significance of the study

This study provides significant implications both academically and in terms of policy. Policy-wise, the findings are of utmost significance to policymakers who want to develop a business-friendly environment in emerging economies like Ethiopia. Through examining the relationship between strategic orientation and government regulation, the study makes it amply clear how regulation

can be utilized to enhance or hinder organizational success. Policymakers could be able to use these results in designing regulations that not only offer compliance and accountability but also allow companies to align their strategies with the needs of regulation and hence promote growth, innovation, and sustainable development. The study also identifies how regulatory interventions can be optimized to address challenges and reveal opportunities for companies like Ethio telecom, ultimately optimizing their performance in a regulated environment.

From a theoretical perspective, this research fills a knowledge gap in the literature on strategic management by providing empirical evidence of the impact of strategic orientation on organizational performance in emerging economies. How regulatory context affect strategic designs can be more clearly explained by illustrating the moderating role of government regulation. The findings from the research can be utilized to contribute to our understanding of strategic choices organizations need to make under the context of regulatory reforms.

Moreover, the research proposes a model linking strategic orientation with regulatory issues, and this offers ground for further studies on the complex dynamics of strategic management in emerging markets. This strategy invites for additional investigation of comparative analyses of Ethio telecom and safaricom Ethiopia the interrelation between cultural, economic, and political factors with strategic orientation to impact organizational performance. Finally, the study offers constructive practical implication for business managers and leaders, especially in the telecommunication sector, to align their strategic orientation with regulation needs to improve a competitive advantage as well as overall performance.

1.7 The Scope of the study

This sub section presents the thematic scope, spatial scope as well as temporal scope of the study.

1.7.1 Thematic Scope

As far as thematic scope is concerned, this study focuses on examining the role of strategic orientation on organizational performance, using government regulations as a moderating variable in Ethio telecom. The main strategic dimension, namely market, innovation, technology, learning and entrepreneurial orientation were examined to fulfill their effect on organizational performance. Moreover, the research examines how the government regulations impacted strategic decision-making and organizational outcomes in the telecom sector of Ethiopia. The government

regulation as a moderator is a primary emphasis, offering insights into how regulatory frameworks influence the alignment of strategic initiatives with performance results.

1.7.2 Spatial Scope

In geographical scope the research is bounded to focus on only Ethio telecom head office, examining its operation in the Ethiopian telecommunications market, with special focus given to the influence of strategic orientation on organizational performance with specific reference to the moderating role of government regulations.

1.7.3 Temporal Scope

The study focused on recent trends in strategic orientation, government regulations, and organizational performance of Ethio telecom in the telecommunication sector. Five years data was used to examine the role of strategic orientation on company financial performance. By focusing on this recent period, the research gives a timely analysis of how the evolving regulatory environment serves as a moderator between strategic orientation and organizational performance. Moreover, primary data using survey questionnaire and interview were collected simultaneously in February 2025 from sample respondents.

1.8 Limitations of the Study

One of the key limitations of this study is restricted access to reliable data, especially internal performance metrics like ROI of the new projects which could affect the depth of financial performance analysis. The results also hold only for Ethio Telecom limiting their generalizability to other sectors or countries with different regulatory government. Some of the interviewees were not available from the start but interviews were finally conducted after numerous appointments. To minimize the problem and validate the results, the research applied triangulation by combining findings from surveys, expert interviews, and company reports to avoid any bias and provide increased reliability

1.9 Operational Definition of key Terms

The following terms are defined to facilitate common understanding between readers and researchers about their usage in this study.

Term	Definition/Meaning
Strategic orientation:	The guiding principles and approaches or ways that an organization adopts to align its resources and activities with its long-term goals and market needs.

Organizational Performance:	A measure of how effectively an organization achieves its objectives, commonly evaluated by a set of indicators such as financial performance (e.g., revenue, profit), customer satisfaction, operational efficiency, and employee engagement.
Financial Performance:	It measures the economic outcomes of an organization, typically assessed through metrics such as profit margins, return on investment (ROI), and revenue growth.
Non-Financial Performance:	An operational performance typically assessed through market share, customer satisfaction, operational efficiency, and employee engagement.
Government Regulations:	Rules and guidelines established by governmental bodies that affect business operations and strategies, particularly in regulated industries like telecommunications. These regulations can cover areas such as licensing, compliance, pricing, and operational standards, significantly influencing organizational strategies and performance.
Market orientation:	A focus on understanding and meeting the needs of customers.
Innovation orientation:	A focus on developing new products and services.
Entrepreneurial orientation:	A focus on taking risks and being proactive
Moderating effect:	It refers to the influence of a third variable government regulation that affects the strength or direction of the relationship between the independent variable (strategic Orientation) and the dependent variable (Organizational Performance).
Telecommunications Sector:	An industry that encompasses all services related to the transmission of information over significant distances by electronic means, including mobile and internet communications.

1.10 Organization of the Study

The thesis is organized in to five chapters. The first chapter present introductory chapter. It presents the conceptual background the study, problem statement and justification of the study. It also outlines the objectives and/or hypotheses, research questions, significance, scope, and limitations of the study. Moreover, key terms are also being defined in this chapter.

The second chapter summarizes a comprehensive review of both theoretical and empirical literature related to the study and depicts the conceptual frame work of the study. The theoretical literature section covers core concepts, dimensions of strategic orientation, government regulations in the telecommunications sector, and organizational performance. The empirical literature summarizes relevant studies and country-specific experiences concerning strategic orientation practices in telecom industry. This chapter provides the research gap.

The third chapter describes the research methodology, including the research approach, types of research methods, study population, sampling procedures and design, data types and sources, data collection methods, data analysis techniques and mode of data presentation.

The fourth chapter presents the study's findings, results, and discussions, addressing each research question in separate sections. Finally, the fifth chapter summarizes the study's key findings, draws conclusions, and provides recommendations or policy implications based on the research outcomes as well as indicates the area of further research.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter review studies carried out by various researchers that addressed the interdependence of strategic orientations, government regulation and organizational performance, in the context of emerging markets. The issue to be addressed includes theoretical reviews that guide the study, explanation on the main dimensions of strategic orientation, and measurement of performance. The chapter deals with empirical research that examines the impact of strategic orientations, namely market, innovation, technology, learning, entrepreneurial on performance with specific reference to the moderating role of government regulation. In short, this chapter is structured into four sections: definition, concepts as well as review of theoretical and empirical research literature. Moreover, conceptual framework and research gap also added.

2.2 Conceptual Literature

2.2.1 Dimensions of Strategic Orientation

Strategic orientation refers to a long-term direction and concentration that an organization gains or develops the behaviors that support long-term superior performance (Slater et al., 2006). Strategic orientations have various forms or dimensions to which an organization may align itself, including market orientation, innovation orientation, technology orientation learning and entrepreneurial orientation, each of which affects various organizational performance dimensions (Day, 1994; Gupta and Govindarajan, 2000).

2.2.1.1 Market Orientation

Market orientation is a company's strategic focus on discovering and responding to customer needs, desires, and behaviors, which significantly influences its performance. It involves the planned collection and distribution of market information across the business so that products and services can be aligned with customers' demands. Firms with an elevated market orientation are more likely to anticipate market trends, respond to competitive pressures, and modify their products to meet evolving customer expectations. Narver and Slater (1990) contend that market orientation directly affects business performance through enhanced customer satisfaction and loyalty, which ultimately leads to improved financial performance. They found that companies that are market-oriented still align their strategies with customer tendencies, thus improving customer experiences along with gaining competitive advantages. Moreover, companies that are

market-oriented are faster at adjusting to shifting market forces, which allows them to maintain their relevance and performance. Market orientation practice also facilitates better decision-making within the organization since it promotes interdepartmental collaboration and a shared, customer-driven mindset. By fostering this culture, organizations are able to make decisions that will not only satisfy customers but also result in business success in the long term, especially in highly competitive and dynamic markets.

2.2.1.2 Innovation Orientation

Innovation orientation is a strategic focus on developing new processes, services, and products, which enables firms to adjust to rapidly changing and evolving markets. Firms that prioritize innovation are better positioned to respond to shifting customer needs and technological innovation, thus making them capable of differentiating themselves from competitors and remaining competitive in the long term. Very innovation-oriented organizations, as defined by Hurley and Hult (1998), are bound to perform better because they persistently invest in the creation and application of new ideas, enhancing their ability to react to evolving market situations and capitalize on emerging opportunities. Through the development of an innovation-oriented culture, businesses are in a position to improve existing products and services and develop completely new ones that address previously unsatisfied customer needs. Innovation orientation also enables businesses to incorporate new technology into their operations, which improves efficiency and operational excellence, further resulting in improved overall performance. Hence, innovation focus is significant to organizations looking to stay ahead in terms of competition since, besides allowing them to keep pace with industry change; it also helps them to lead the market evolution. Such a capability for good innovation is a key consideration in the quest for higher degrees of customer satisfaction, increased market share, and profitability over the long term.

2.2.1.3 Technology Orientation

Technology orientation means a company's planned emphasis on adopting and making use of new technologies to optimize operations and gain competitive advantage. Technology orientation involves not only the acquisition of new technologies but also the incorporation and leveraging technologies within company functions. Technology-driven organizations are well-positioned to enhance their operational efficiencies through cost reduction, productivity enhancement, and process automation. Moreover, the ability to implement new technologies

allows firms to offer new products and services, differentiate themselves from competitors, and respond more quickly to customer needs. Calantone et al. (2002) indicates that technology-based companies are likely to overtake their rivals as they are able to harness technological progress that advance in-house abilities as well as products in the marketplace. According to their findings, these companies are more adaptable to technological shocks and are more likely to achieve long-term performance due to ongoing technological advancements. Also, technology orientation assists to give a useful platform for cross-functional teamwork that result in an improved communication and coordination among departments, delivering improved performance outcomes. As per the current scenario of competition in market, Organizations can merely sustain by following new tech and enhancing their efficiency and market position.

2.2.1.4 Learning Orientation

Learning Orientation is the organizational direction towards learning, acquiring knowledge and sharing or implementing it to build competence or capacity and improve performance. This encompasses on-the-job learning, skill building and applying new information in actual organizational practices. Learning companies are also well-placed to react to changes in the environment and to market forces because they are deliberately searching for new innovations and knowledge that allow them to make better-informed decisions and stay competitive. Sinkula et al. (1997) argue that learning culture companies are better than their counterparts as they are capable of responding to environmental change, anticipating future environmental change in the marketplace, and enhancing process and strategy based on the latest information. By encouraging a learning culture, these companies enhance their ability to make better decisions, improved customer needs, and respond to new opportunities and thereby enhance higher performance. Thus, learning orientation is a prime driver of organizational agility and sustainability in unpredictable business environments.

2.2.1.5 Entrepreneurial Orientation

Entrepreneurial orientation is an organizational strategic position that is characterized by risk taking, proactive approach towards market opportunities, and an exceptionally strong focus on innovation. Entrepreneurial orientation enables organizations to react rapidly to changes in the market place, use new opportunities, and distinguish themselves from other rivals. The three sub-dimensions of entrepreneurial orientation, namely risk-taking, pro-activeness, and innovativeness are the most essential ones, which are required for those organizations which are interested in

building a culture of responsiveness, experimentation, and creativity. Covin and Slevin (1989) confirmed that those companies which are high in entrepreneurial orientation have more chances to achieve superior performance. They also argued that such firms are endowed with the ability to innovate, predict future market trends, and take calculated risks which place them ahead of the group. Through risk-taking, firms are able to undertake into new ideas and opportunities which can lead to breakthrough innovations or uncover hidden markets. Pro-activeness ensures that such firms do not react to environmental changes but create market development. Entrepreneurial orientation has the fundamental dimension of innovativeness that inserts innovation in new products, services, or business models that tend to confront the current status quo and offer unique value proposition. All these sub dimensions have their own function in facilitating organizational success through assisting firms to be agile, competitive, and ahead of marketplace developments. Thus, entrepreneurial orientations significantly modify performance particularly in dynamic and rapidly competitive environments.

2.3 Organizational Performance

Organizational performance is defined as how well an organization performs their activities in achieving the desired goals and how well it runs. It is a broad term that summarizes many aspects of organizational success, including financial performance, productivity, market share, and responsiveness to change in the marketplace. A good performing organization not only meets its short-term objectives but also positions itself to perform well in a dynamic and competitive marketplace.

Financial results stand as one of the most essential parts of organizational performance. Typically, financial performance consists of dimensions such as profitability, revenue, return on investment (ROI), and cost savings. These performance measurements provide numerical indicator of how far a business is making efficient use of assets to maximize its value generation. Scholars emphasized that financial measures are crucial in assessing an organization's overall success, as they reflect its ability to generate profits, sustain growth, and deliver value to stakeholders (Venkatraman and Ramanujam, 1986).

However, mere financial performance alone cannot define the whole picture of organizational success. Non-financial measures have also gained significant relevance in performance measurement. Customer satisfaction is one important parameter. Being able to meet, or even surpass, customer needs is a key to organizational success, since customer satisfaction and

loyalty will lead to repeat business and referrals. A successful customer base fuels the long-term sustainability and industry competitiveness of an organization (Anderson et al., 1994).

Employee commitment is also an essential non-monetary measure that directly impacts organizational performance. Engaged employees are productive, motivated, and committed to organizational goals (Harter et al., 2002). When employees are appreciated, cared for, and aligned with organizational goals, their work can add to organizational effectiveness and overall productivity.

Despite all these internal mechanisms, organizational performance also reflects how responsive the organization is to change in the external environment. In today's fast and dynamic market environment, the ability to innovate and respond to changes in the market is key to sustained success in the long run. Agile and responsive firms that are prepared to change to fit the evolution of technology, customer demands, and regulatory changes are well-placed to maintain competitiveness (Teece, 2007). To be responsive means that an organization will also be able to effectively tackle issues in the future.

Moreover, market share is yet another important organizational performance parameter. It reflects an organization's relative position in the market compared to other organizations. Increased market share generally implies that the organization is successfully attracting customers, being competitive, and differentiating itself from others in the marketplace. Market share growth thereby reflects the organization's capacity for expanding its reach and influence in its industry (Porter, 1985).

In summary, organizational performance is a complex concept that weighs both financial and non-financial measures. The measurement of the success of an organization requires an integrated approach that considers not only profitability and financial health but also employee morale, customer satisfaction, market share, and adaptability. As Venkatraman and Ramanujam (1986) suggest, a comprehensive evaluation of organizational performance presents a clearer picture of an organization's overall health and its long-term success potential.

2.4 Government Regulation in Emerging Economies

Government regulation involves policies and regulations created by authorities to dictate how companies can operate. In developing economies, whose institutional and legal frameworks are still evolving, the regulations dictate much of industries like telecommunication. These can influence competition, price levels, quality, and market entry. This is because regulatory

conditions in developing economies are usually unstable or in a state of flux, they support but stifle business growth (La Porta, Lopez-de-Silanes, Shleifer and Vishny, 1999).

On the positive side, regulation addresses market failures, encourages competitive fairness, and safeguards consumers. On the negative side, regulation can create hurdles, i.e., high costs of compliance or corruption opportunities. However, high-quality regulation is able to induce innovation, investment, and incentives for companies to comply with national goals like economic growth (North, 1990). Overall, government regulation in emerging markets is a good tool that is able to hinder or improve business performance, depending on its formulation.

2.4.1. Strategic Orientation and Government Regulation

Government control plays a critical role in determining strategic orientations within organizations, particularly in emerging markets whose regulatory frameworks are typically volatile and present both challenges and opportunities. Within such an environment, businesses must contend with unstable markets, cultural differences, and regulatory uncertainty, thus providing a tough context to design and implement strategic orientations like market, innovation, and technological orientation (Khavul et al., 2010). Regulations could either be enablers or constraints, influencing the way organizations link their strategies to local and international market directions. For instance, regulations that promote innovation, such as research and development tax credits or intellectual property rights, can energize an innovation orientation by encouraging companies to invest in new processes and technologies (Tushman & Anderson, 1986). Similarly, government policies that favor fair competition and consumer protection are likely to make firms market-oriented, customer need and preference centered, and inter-functionally coordinated in order to compete (Narver & Slater, 1990). However, poorly crafted regulation may constrain entrepreneurial and market orientations because firms become too focused on complying with regulations and less on growth opportunities, restricting innovation and responsiveness (Meyer et al., 2010). The regulatory environment of the emerging economy will thus either stimulate or deter strategic decisions, whereby there are frequent changes in regulations or substantial compliance costs to create uncertainty reducing firms' focus on market-driven innovation. This dynamic interaction reinforces the necessity for companies in such economies to stay quick and responsive, making constant changes to their strategic inclinations to manage the changing regulatory environment effectively.

2.4.2 Government Regulation and Organizational Performance

Government regulation is one of the most important determinants of organizational performance, particularly in developing economies whose regulatory institutions are still underdeveloped. Regulations have a direct impact on how businesses are carried out, innovation is driven, and competition took place in the market. Rodrik (2008) argued that good government regulation can create a safe business environment that attracts investors, protects consumers, and ensures fair competition which in turn all leads to improved organizational performance. On the other hand, poor or weak regulations may create market inefficiencies, corruption, and suppressed business growth (Khavul et al., 2010). For instance, firms located in countries with robust systems of regulation can attain higher performance outcomes due to the higher predictability of market conditions and property right security, which ensures long-term investment as well as innovation. On the other hand, in politically volatile or irregularly governed environments, firms face higher risks and uncertainties, where they can speed up their uses of strategic strategies such as innovation or market orientation (Zhou et al., 2010). In a specific way, regulations issued by the government are not simply external rules that companies must follow, but also the internal driving force determining organizational success, especially in transitional economies.

2.5 Theoretical Literature

This section provides the theoretical foundation that shapes the investigation into how strategic orientations affect organizational performance at Ethio-Telecom. The framework brings together established theories to explain the connections between strategic orientations, organizational performance, and the moderating role of government regulation. The key theories and models that guide this study are explained here below:

2.5.1 Institutional Theory

According to DiMaggio and Powell (1983), Institutional Theory explains the way in which external forces like government regulation, social norms, and industry demands influence organizational action. It argues that organizational action is not just shaped by market forces but by institutional forces more broadly like the legal environment, cultural norms, and political demands. These external pressures will drive organizations into practice or structure needed to become legitimate, obey rules, or become congruent with societal norms even when it might not always be most cost-effective or cost-minimizing. In examining strategic orientations and organizational performance, Institutional Theory is significant in understanding how government

regulation acts as a Moderator between strategic orientation and performance. Rules will define the situations under which firms must operate, impacting their strategic choice, for instance, adopting innovation or trading practices. Institutional pressures can produce limits or incentive to restructure an organization's tasks, impacting its competitiveness and overall performance. Accordingly, external institutional factors like governmental regulations play a critical role in shaping strategic orientation and organizational performance (DiMaggio & Powell, 1983).

2.5.2 Resource-Based View (RBV)

The Resource-Based View (RBV) argues that a company's internal resources like its workforce, technology, and organizational knowledge are crucial drivers of competitive advantage and improved performance. RBV points out that a firm's capability to use these resources especially valuable, rare, and inimitable resources effectively can make a tremendous impact on its success (Barney, 1991; Wernerfelt, 1984). For companies to realize competitive advantages, they need to employ core competencies and internal capabilities that are difficult for competitors to replicate, such as unique employee capabilities and intellectual capitals (Peteraf & Bergen, 2003; Das & Teng, 2000). The inward-looking strategy helps companies differentiate and create barriers that protect them from competition in the marketplace (Foss & Knudsen, 2003). However, organizations working in regions like Africa face specific barriers in utilizing their internal resources. Poor training, inefficient working environments, and inapplicable talent management practices are some of the problems that limit the maximum use of human capital (Mitra et al., 2011; Webster & Wood, 2005; Bagire, 2015). Moreover, external problems like corruption and unavailability of skilled labor add to further barriers in performance (Kamoche et al., 2015; Okpara & Wynn, 2008). Despite such challenges, firms can still achieve competitive benefits if they strategically align human resource activities with organizational goals because effective talent management can lead to increased profitability (Schlechter et al., 2015; Onyema, 2014).

Resource Based View also focuses on strategic orientations namely, market, entrepreneurial, learning, and technology orientations that enable firms to leverage their internal resources in order to meet outside pressures and enhance their position in the competition (Calantone et al., 2011; Hakala, 2011). In sectors such as Financial Technology (FinTech), efficiently using internal resources is imperative in order to respond to technological advancements and market changes. Such orientations enable businesses to concentrate on maximizing their use of

resources, hence enhancing their market position (Nakola et al., 2015; Campbell & Park, 2017). In addition, the RBV points out that firm require an inward approach to managing resources in order to achieve long-term performance improvement. Through internalizing their strategies as well as distinctive, valuable, and scarce internal capabilities, companies can enhance their competitive strengths and gain enduring benefits. Strategic orientations, such as market and innovation orientations play a significant role in driving utilization of these resources for their deployment such that firms are able to develop new products, processes, and customer-oriented solutions that are difficult to imitate. This approach allows firms to convert their internal resources into scarce and inimitable assets that ensure long-term competitive advantage even in severe market conditions. Therefore, internal resource management and utilization, emphasized by RBV, are of critical significance to both firm performance and strategic success (Barney, 1991; Wernerfelt, 1984).

2.5.3 Dynamic Capability Theory (DCT)

Dynamic Capabilities Theory, initially proposed by Teece, Pisano, and Shuen (1997), borrows from the Resource-Based View (RBV) but focuses on the competency of a business firm to alter, add value to, and reconfigure its resources depending on shifting market situations. Whereas RBV relies on leveraging static valuable assets, Dynamic Capabilities Theory highlights the need for capabilities to evolve in order to remain prosperous. Firms with high dynamic capabilities, including sensing and seizing new opportunities, changing their base of resources, and innovating, are poised to succeed in competitive and dynamic markets. Strategic orientations such as learning orientation, which supports constant knowledge acquisition, and entrepreneurial orientation, which encourages risk-taking and innovation, are necessary for the development of dynamic capabilities and anticipating market change (Teece et al., 1997).

Dynamic Capability Theory puts emphasis on the importance of managerial decisions that establish a company's capabilities and state its competitive edge. Winter (2003) characterizes capabilities as organizational habits that enable routine task accomplishment. Dynamic capabilities, in contrast, refer to a company's ability to intentionally build, expand, or modify its resource base in order to adapt to dynamic environments (Helfat et al., 2007). Whereas operational capabilities are focused on current operations, dynamic capabilities allow firms to adjust and transform due to changing market conditions, which is fundamental in the preservation of competitive advantage in volatile markets (Teece et al., 1997).

Dynamic capabilities are fashioned from internal and external factors. Internal factors, including managerial behavior, social capital, and trust, impact the establishment of these capabilities (Ambrosini & Bowman, 2009). Outside factors, such as market situation and a firm's background setting, influence its ability to respond to the dynamics of the market (Eriksson, 2014). In stable markets, dynamic capabilities are manifest as stable, routine-like processes, while in high-velocity markets they are manifest as adaptive, experimental processes aimed at rapid knowledge creation and adaptive response (Eisenhardt & Martin, 2000).

Managerial capabilities, which are composed of human capital, social capital, and cognition, influence managerial decisions, which then influence firm performance (Adner & Helfat, 2003). Resource and capability differences between firms lead to differences in managerial decisions and levels of performance. Wang and Ahmed (2007) identified three major components of dynamic capabilities: adaptive capability (responding to market opportunities), absorptive capability (acquiring knowledge from external sources), and innovative capability (developing new products or markets). These factors allow organizations to capitalize on their resources and sustain long-run performance.

Development of dynamic capabilities is also influenced by internal and external enablers. Organizational structure, social networks, and external networks state the ability of a firm to develop and sustain dynamic capabilities (Ambrosini & Bowman, 2009). Firms also require integrating outside resources, such as technological capital and strategic alliances, to enhance their dynamic capabilities (Zahra & Nielsen, 2002). Co-specialized assets-physical assets, human assets, and intellectual assets are particularly useful when combined in bundles, which provides firms with a sustainable competitive advantage (Teece, 2009; Douma & Schreuder, 2013). Dynamic capabilities remain vague even after extensive research on the topic, with distinct definitions and understandings (Peteraf et al., 2014). Because the theory has no a unified framework, it attracts controversy and criticism motivating many researchers to continue questioning its relevance (Helfat & Peteraf 2009). But dynamic capabilities are perceived to be catalysts for sustaining a competitive edge. Dynamic Capability Theory states the creation of sustainable advantages and matches a firm's capacity to recombine and transform resources, particularly in supply chain management resilience helps where high capabilities have substantial effect on performance (Chen et al., 2004; Vos & Schiele 2014).

2.5.4 Contingency Theory

Contingency theory is employed to explain how variables like technology, culture, and the environment Contingency theory explores the role of aspects in technology, culture, and the external environment on organizational design and functioning. Fiedler in 1978 formulates Contingency Theory states that organizational behavior creates outcomes conditional on both internal and external variables within the organization. The theory does capture that there is no single formula for strategy implementation that works for every organization; it will always be depends on the specific situations an organization faces, such as technological advancements, resource availability, and financial status (Lukka, 2017). This alignment between contextual determinants and organizational settings is essential towards improving performance because Burton and Obel (2004) and Daft and Lengel (2016) empirically tested the theory. The theory suggests that organizational performance is maximized when organizational strategies are aligned to the external environment as well as the internal conditions.

Moreover, Contingency Theory asserts that the effectiveness of a leader depends on the situation that the leader is in and his/her traits, as compared to attempting to match the situation to the leader (Fiedler, 1978). Fiedler's Contingency Model also asserts that task-oriented leaders would do best in situations with high positional power and very structured tasks, while people-oriented leaders do best in situations with strong relationships and little task structure (Gupta, 2009). It is only by such a match between situational variables and leadership style that organizational effectiveness is achieved. But when there is a mismatch, it can weaken a leader's ability to perform effectively. A study by Reid and Smith (2000), Chenhall (2003), and Woods (2009) have also put forward the impact of contextual factors such as technology, environmental turbulence, and organization size in the determination of optimum organizational structure and the need to adapt to contextual variables.

Although the theory is rich in explaining how organizational strategies are matched with contextual variables, it has been criticized as too rigid. According to Csaszar and Ostler (2020), the theory is inflexible in allowing for varying organizational contexts. Despite this criticism, Contingency Theory remains applicable to management and accounting research (Fisher, 1995; Cadez & Guilding, 2008) and can be a useful framework for firms like Ethio telecom to analyze their internal condition and enact strategies that will optimize long-term performance. By taking

close attention to contextual variables and leadership styles, firms can optimize structural fit and leadership effectiveness and thereby organizational outcomes.

2.5.5 Innovation Diffusion Theory

Innovation Diffusion Theory by Rogers (1962) accounts for the process of new ideas and technology diffusing in social systems, including organizations and markets. The theory assumes that the adoption of innovations will be along a standard curve with the speed of adoption based on factors such as perceived benefit, compatibility, complexity, and observability. It highlights the fact that the diffusion process takes time, and individuals and firms learn innovations step by step. In organizational performance, Innovation Diffusion Theory comes into play where understanding the effect of innovation orientation, an organization's focus on innovation, has on its ability to adopt and implement new practices is concerned. Organizations that accept innovation restore internal procedures, and take up new technology are in good stead to achieve a competitive advantage, improve performance, and respond to market needs. Effective innovation diffusion can lead to greater efficiency, expanded product lines, and overall improvement in organizational performance (Rogers, 1962).

2.6 Empirical Literature

2.6.1 Organizational Performance and Strategic Orientation

The empirical evidence on Strategic Orientation and Performance continues to support the need for strategic orientations like market, innovation, technology, and learning as drivers of organizational performance. For example, Wang et al. (2021) recently carried out a study that demonstrated in telecommunication firms, innovation orientation was the primary driver of operational effectiveness and customer satisfaction, while market orientation and technological orientation were drivers of reacting to the rapidly changing telecom environment. Moreover, the integration of learning orientation with other strategic orientations has also been found to be most effective in performance improvement through making companies innovative along with being able to implement strategies even under external shocks (Dangelico et al., 2021). Hence, this section tries to review empirical literatures concerning the role that various strategic orientations can yield in contributing towards playing a significant role in enhancing performance in telecommunication industries.

2.6.2 Market Orientation and Organizational Performance

Market orientation, with its focus on customer and market forces understanding and response, has been proven to improve organizational performance in the telecommunication industry. Möller et al. (2008) confirmed that telecommunication companies with market orientation perform better in retaining customers and customer satisfaction, hence leading to better financial performance. Similarly, Rafiq and Ahmed (2000) stated that customer-focused and competitive intelligence-driven telecommunication firms exhibit superior profitability and market share performance.

Market orientation is about understanding what customers want, keeping an eye on what competitors are doing, and staying aware of the external environment. It's a way for companies to gather and share valuable information that helps them adjust their strategies and resources to better meet the needs of the market (Narver & Slater, 1990). Research by Slater and Narver (1995) also uncovered that companies possessing high market orientation are linked to greater performance as they align more closely with customer interests and market trends. Such businesses are more responsive to customer requirements, creating customer satisfaction and loyalty, which ultimately boosts profitability. Moreover, Kohli and Jaworski (1990) established that market-oriented businesses surpass their competitors through enhanced product innovation, customer service, and a fast response to changing markets. Thus, there is always a robust market orientation with better business outcomes, such as enhanced sales, profitability, and competitive strength.

2.6.3 Innovation Orientation and Organizational Performance

Innovation orientation, which focuses on adoption of new products, services, and processes, has a direct link with improved organizational performance. In the telecommunication industry, organizations with significant emphasis on innovation obtain a competitive edge, which is repeated in improved market performance and customer satisfaction (Zhou et al., 2014). De Luca and Atuahene-Gima (2007) further proved that technological innovation helps telecommunication firms to maintain leadership in a competitive market.

Studies have long established the importance of orientation to innovation in performance improvement since it allows companies to be at the vanguard of industry trends, adopt new and cutting-edge technology, and leverage them to be distinctive compared to others. Hurley and Hult (1998) demonstrated that innovation-oriented firms can enhance performance via sustained

improvement and using innovative substitutes. In turn, Song et al. (2005) noted that innovation is prone to competitive advantage and excellent financial performance. Innovation allows companies to improve effectiveness, meet evolving consumer demands, and react to changes in the market, which are critical in maintaining long-term profitability. In addition, innovation plays a major role in emerging markets because companies can create novel solutions to issues within the market thus driving profitability and market share (Zhou et al., 2005). These findings indicate that companies that outshine competitors through sustained R&D spending and build a culture of doing things differently are designed to best competitors in the long run.

2.6.4 Technology Orientation and Organizational Performance

Technology orientation, focusing on filling more technological competencies into organizational strategy and operations, is a driver of organizational performance, particularly in technology-intensive industries such as telecommunications. Empirical research has established that firms with a technology orientation can enhance operational efficiency, product innovation, and customer satisfaction, thereby resulting in enhanced performance. In the telecommunication industry, Hult et al. (2004) discovered that companies more proactive in seeking new technology attained higher performance through increased operational efficiency and service quality. Tzeng et al. (2020) also illustrated that technology orientation, by way of taking up 5G technology, was important in promoting competitive performance. Technology orientation encourage creativity, openness to new ideas and risk-taking, and enables companies to gain competitive advantage via innovation even in the absence of scale economies benefits (Gatignon & Xuereb, 1997). Companies that focus on high technology use new innovations to enhance the use of resources, speed up the process of developing products, and improve customer satisfaction. This, in turn, leads to better overall performance (Calantone et al., 2002).

According to Jaworski and Kohli (1993), technology-driven companies attain better performance through the use of technology to enhance product quality, time to market, and customer satisfaction. Moreover, Teece et al. (1997) argued that companies that are able to constantly evolve their technological capabilities stand to better fight changing environments, maintaining a sustainable competitive advantage and enhancing long-term performance.

Furthermore, Park and Ghauri (2011) conducted a research on determinants of technological competence in business firms and established that those following a specialized product strategy had higher profitability and higher inimitability, whereas those focused on good product

strategies had more frequent introduction but lower margins. Such businesses were distinguished by their focus on innovation, quality, and differentiation. Technology orientation is thus critical in driving short-term operating efficiencies as well as long-term strategic excellence across sectors.

2.6.5 Learning Orientation and Organizational Performance

Learning orientation, by means of continuous learning and implementation of knowledge, strengthens the ability of a firm to innovate, respond, and implement market opportunities effectively this in return contributes significantly to organizational performance drive (López et al., 2005). Firms with a learning orientation have a greater ability to change and evolve in response to a new market situation, make better decisions, and transfer knowledge, which are facilitators of organizational agility and innovation (Sinkula et al., 1997). The ability to continuously adapt and learn provides the company with the strength to stay competitive and optimize their performance. Baker and Sinkula (2002) felt that firms with high learning orientation are better able to react to changing markets, thus enhancing innovation and overall performance. López et al. (2005) took this further to state that entrepreneurial and learning orientations combined allow firms do better than others through their ability to innovate, react, and exploit market opportunities effectively.

In the telecommunication sector, learning orientation has been particularly useful as it enables organizations to keep abreast of ever-evolving technological innovations and changing market dynamics. Liu et al. (2020) found that telecommunication organizations with high learning orientation possess greater ability to respond to technological innovations, thereby improved performance. Thus, learning orientation is a driver of organizational success by enabling innovation, responsiveness, and competitiveness.

2.6.6 Entrepreneurial Orientation and Organizational Performance

Entrepreneurial orientation encompasses risk-taking, pro-activeness, and innovativeness, which enable firms to detect and leverage new opportunities in the market (Covin & Slevin, 1989). Highly entrepreneurial firms are most flexible and future-oriented in understanding new emerging opportunities and thereby enjoying better performance on average (Rauch et al., 2009). For instance, Gupta (2015) depicted that entrepreneurial orientation of Indian SMEs influences firm performance positively through the ability of such companies to identify unsatisfied customer needs and differentiate their products from those of competitors. This finding indicates

the role of entrepreneurial orientation in determining performance in emerging economies like India.

In addition, when firms possess entrepreneurial as well as learning orientations, they perform more effectively than their counterparts. Learning orientation and entrepreneurial orientation together create a dynamic capability whereby firms not only possess the capability to seize new opportunities but also to learn and improve continuously and adjust to new market conditions. This combined approach allows firms to maintain competitive advantage as well as high performance in dynamically changing environments. For the telecommunication sector, where technology and market conditions shift with very high speed, entrepreneurial and learning orientations are a valuable asset. Progressive organizations in reaction (entrepreneurial orientation) as well as in their capacity to transform by continuous learning (learning orientation) will fare better through anticipation of rivals and transformation towards evolving customer requirements (Liu et al., 2020). Therefore, entrepreneurial and learning orientations are both crucial in driving organizational success, creating innovation, and sustaining long-term competitive positioning.

2.7 Research Gap

Despite extensive research on the relationship between strategic orientation and organizational performance (Narver & Slater, 1990; Hurley & Hult, 1998), no research has explored how government regulation affects the relationships. As such, this gap becomes particularly important in Ethiopia's rapidly changing regulatory landscape, where little is known about how Ethio Telecom is navigating performance challenges following the recent liberalization of the telecom sector and the entry of new competitors like Safaricom. Existing research highlights the positive impact of strategic orientations namely entrepreneurial, innovation, and market orientations on performance of firms across various contexts (Ndesaulwa & Kikula, 2016; Mokhtar et al., 2014). Within the telecommunication sector, experience demonstrates that regulation will both smother innovation as well as create long-term stability (Gacheru & Onyango, 2015), while liberalization has pushed operators such as Ethio Telecom to rapidly change and innovate (Kassahun, 2021; Mudogo, 2019). Other studies have investigated Moderator s like learning culture and sustainability within this pair (Ashal et al., 2021; Moghli et al., 2024). However, the Moderatingrole of government regulation remains under-researched, especially in developing nations. This study fills that gap by investigating the impact of government regulation on the link

between strategic orientation and performance relationship, using Ethio Telecom as a case study to inform broader insights into regulatory impacts in highly controlled markets.

Table 2.1 Research Gap Analysis

Author(s)	Year	Research Title	Objective	Research Site	Method of Data Analysis	Major Findings
Mokhtar <i>et al.</i>	2014	The impact of strategic orientation on firm performance in competitive sectors	To investigate how market, innovation, and entrepreneurial orientations impact performance	Global (focus on competitive sectors)	Regression analysis, Surveys	Market, innovation, and entrepreneurial orientations significantly enhance firm performance in competitive sectors.
Ndesaulwa & Kikula (2016)	2016	The effect of innovation orientation on organizational performance	To explore how innovation orientation contributes to competitive advantage	Tanzania (Telecom industry)	Descriptive statistics, Regression	Innovation orientation directly improved organizational performance by fostering new product development
Gacheru & Onyango (2015)	2015	Regulatory environment and firm performance in the telecommunications sector	To evaluate how regulatory frameworks influence firm strategies and outcomes	Kenya	Comparative analysis, Case study	Regulatory constraints were found to hinder rapid innovation but provide stability for long-term planning.
Kassahun, A.	2021	Ethiopia's economic reforms and the impact on telecommunications	To assess the effects of liberalization on Ethio Telecom's market strategies	Ethiopia (Focus on Ethio Telecom)	Qualitative interviews, Thematic analysis	Liberalization led to increased competition, requiring Ethio Telecom to innovate and adjust strategies rapidly.
Mudogo, J.	2019	Strategic responses to new entrants in telecom markets	To analyze the strategies employed by incumbent firms	Ethiopia (Telecom market)	Interviews, Case study	Firms that embraced innovation orientation and

						adapted their strategies survived increased competition from new entrants.
Ashal, N. et al.	2021	The Impact of Strategic Orientation on Organizational Performance: Examining the Moderating Role of Learning Culture in Jordanian Telecommunication Companies	To explore the impact of strategic orientation on organizational performance and the Moderating role of learning culture	Jordan	Quantitative analysis using surveys	Strategic orientations positively impact performance; learning culture mediates this relationship
Moghli, S. et al.	2024	The Effect of Strategic Orientation on Operational Performance: The Moderating Role of Operational Sustainability	To investigate how strategic orientation influences operational performance with a focus on sustainability	Not specified	Statistical analysis	Strategic orientation significantly enhances operational performance, with sustainability as a Moderator .
Okolo, R.I. et al.	2023	Effect of Strategic Orientation on Performance of Food and Beverage Firms in Enugu State, Nigeria	To assess the relationship between strategic orientation and performance in the food and beverage sector	Enugu State, Nigeria	Regression analysis	Strategic orientation is crucial for enhancing performance in the food and beverage industry.
Alshurideh, M. et al.	2023	Strategic Orientation and Performance of SMEs in Nigeria: Moderating Role of Competitive Intensity	To analyze the impact of strategic orientation on SME performance, considering competitive intensity	Nigeria	Structural equation modeling	Strategic orientation positively affects performance, moderated by competitive intensity.

Source: Reviewed by Researcher, 2025

2.8 Conceptual Framework

This theoretical framework of this study explores how strategic orientation influences organizational performance, with government regulation playing a Moderating role, focusing on the case of Ethio Telecom. This framework integrates the strategic orientation theories (market orientation, innovation orientation, technological orientation, learning orientation and entrepreneurial orientation) and organizational performance and recognizes the intervening role of government regulation in the Ethiopian telecom market. The framework is based on the following key points:

Strategic Orientation: It refers to the focus of the firm on a set of strategic goals, such as market awareness, technology, innovation, entrepreneurship, and organizational learning, which shape its operations and long-term success. Empirical research shows that companies with strong strategic orientations will tend to address market demands and withstand external pressures (Narver & Slater, 1990; Covin & Slevin, 1989).

Government Regulation: Government regulation, particularly in emerging economies like Ethiopia, is critical in defining the manner companies conduct business within the market. For Ethio telecom, government regulations influence the manner in which the company can implement its strategies, innovate, and position itself within the market (Mekonnen & Jara, 2020).

Organizational Performance: Organizational performance is a product of strategic decisions, including the congruence of market orientation, innovation orientation, and other strategic orientations with the regulatory environment. These include financial performance, market share, customer satisfaction, and overall competitiveness (Meyer et al., 2010; Hurley & Hult, 1998). The model suggests that government regulation serves as an Moderator in the link between strategic orientation and organizational performance. That is, regulations may facilitate or limit the adoption of strategic orientations, which further influences the firm's capacity to realize its intended performance outcomes.

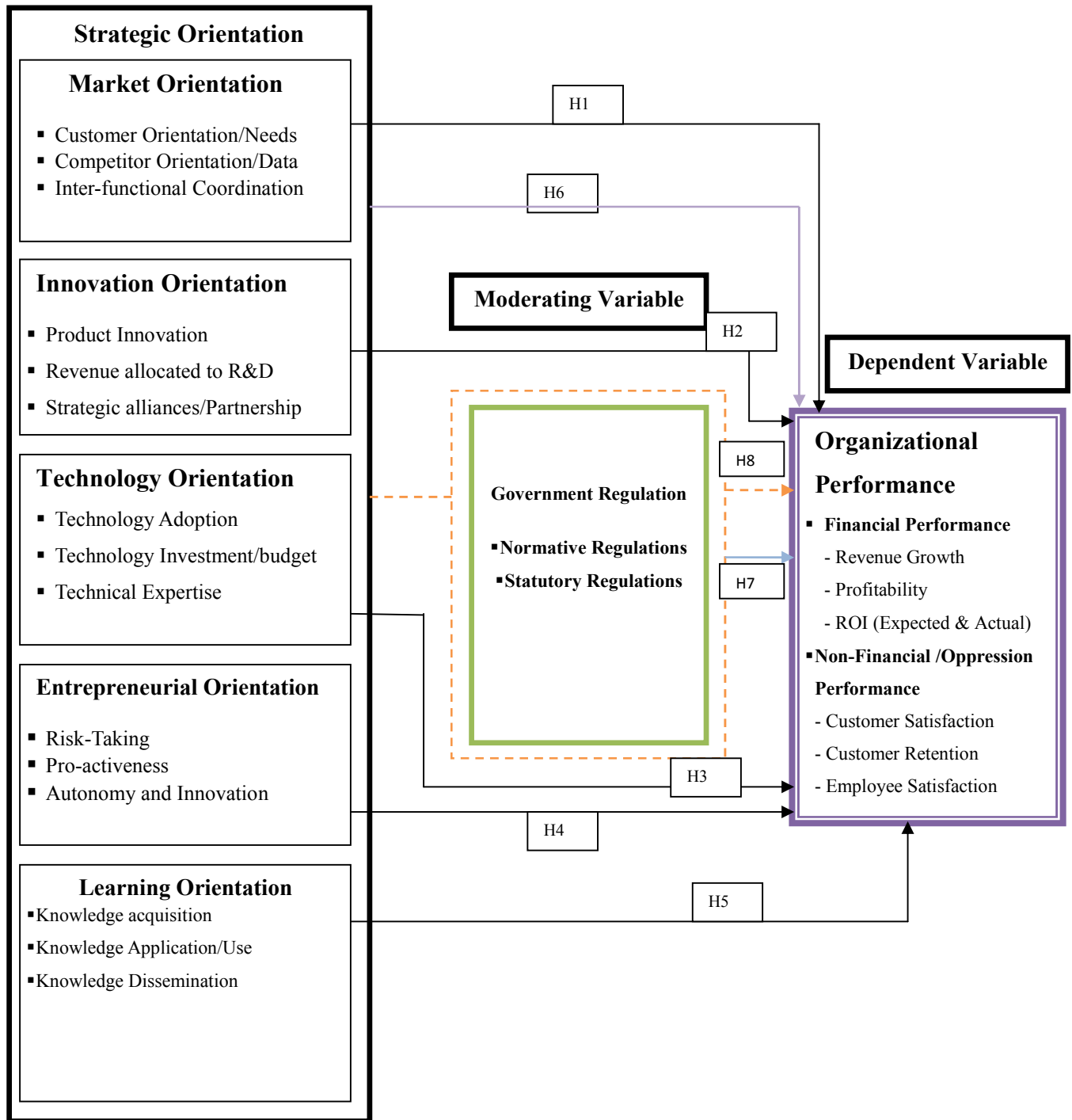


Figure 2.1 Conceptual Framework

Source: Researcher, 2025

The conceptual framework represented diagrammatically articulates the logical connections between the main variables of the research, i.e., strategic orientation, government regulation, and organizational performance, with focus on Ethio telecom. The strategic orientation of Ethio telecom comprises different aspects such as market orientation, which is responsible for comprehending and responding to customer requirements, competitor intelligence and inter-functional coordination (Narver & Slater, 1990); innovation orientation, which prioritizes the development of new products and services, revenue allocation for R&S as well as alliance (Hurley & Hult, 1998); technological orientation, which is responsible for taking up and applying advanced technologies as well as tech expertise (Calantone et al., 2002); entrepreneurial orientation, which stimulates risk-taking, pro-activeness and innovation (Covin & Slevin, 1989); and learning orientation, which is responsible for continued acquisition and application of knowledge as well as collective vision and flexibility in adapting to change (Sinkula et al., 1997). The government regulation in Ethiopia, as mentioned earlier, can play a significant role in shaping the adoption of these strategic orientations. The Ethiopian government regulations in the telecommunication industry impact Ethio telecom's ability to innovate, expand, and offer services, as well as its competitive position. Government policies, such as those that have been adopted to govern the telecommunication industry, can present opportunities and challenges that either enhance or constrain the company's strategic options.

Organizational performance is the final outcome, driven by the degree to which Ethio telecom aligns its strategic direction with the external regulatory context. Performance can be measured through various indicators financial (ROI, profit and Market share) and non-financial or oppression, customer and employee satisfaction (Meyer et al., 2010).

This model suggests that government regulation acts as an intermediary, influencing how strategic orientations are translated into organizational performance. More specifically, the presence of facilitative regulations has the capability to enable effective implementation of strategic orientations, leading to enhanced performance levels.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter explains the research strategy for examining The Role of Strategic Orientations on Organizational Performance: The Moderating Effect of Government Regulation, the case of Ethio-Telecom. The chapter is structured into five parts. The first section introduces the research design including the philosophical standpoint and the research methods. The second section described the data sources and data collection procedures. The third section explains the sampling procedure used for the selection of participants. The fourth section outlines the data analysis procedure employed. The fifth section discussed about data quality assurance, including validity, reliability, and ethical issues. In short, this chapter presented details how data collection and analysis addressed the research objectives of Chapter One.

3.2 Description of the Study Area/Ethio Telecom

This study was conducted in Addis Ababa, the capital of Ethiopia and the nation's telecommunication central hub. As the business, political, and technology center, it hosts core telecom headquarters including Safaricom Telecommunication PLC. With the business and infrastructure center, it is an ideal location to study the effect of strategic orientation on organizational performance in the telecommunication sector.

Ethio Telecom is the Ethiopian government-owned telecom company established in 2010 as the successor to the Ethiopian Telecommunication Corporation. The company offers a wide range of services including mobile, fixed line, broadband, and digital TV. As the only telecom service provider in the country, Ethio Telecom has an important role to play in supporting Ethiopia's socio-economic development. It helps bridge communication, drives business growth, and aligns with the government's vision to modernize and digitalize the country's infrastructure. Ethio Telecom is playing pivotal role through its service by connecting people, empowering businesses, and enabling national development. The company's strategic direction is led by visions such as technological innovation, market development, customer experience, and corporate social responsibility. Ethio Telecom has been focusing on introducing new technologies like 4G and 5G networks, upgrading internet speed, and service expansion to rural areas, while addressing the growing demand for data and mobile services (Ethio Telecom Annual Report, 2023).

Government regulation is a key to drive Ethio Telecom's business and performance. As a state-owned enterprise, government policies concerning monopoly control, price, and standards of service dictated its operations even prior to the advent of competition and private entry via the 2021 liberalization and partial privatization. Regardless of reforms, its strategic choices still continue under the influence of regulatory controls like licensing, regulation of investment, and tariffs (Ethiopian Government Telecommunications Sector Reform Policy, 2023).

Ethio Telecom's financial stability, market position, and innovation are all directly dependent on such framework or structure. Although the company remains the main source of revenue for the country, it has encountered a serious infrastructure and competition pressure (Ethio Telecom Annual Business Report, 2023). In an effort to address it, Ethio telecom has maximized efficiency through technology and service innovation. However, the evolving nature of regulation is an important intervening factor in its strategy, direction, and performance, making this dynamic urgent in consideration of the sustainability in the future.

3.3 Research Philosophy

The research philosophy in social is concerned with how knowledge developed and understood within a social context. Social science research philosophy has assumptions concerning observing the social world, making references to vital ideas such as epistemology (the nature of knowledge) and ontology (the nature of being), which play a significant role in determining the manner in which researchers view the research process and guide their methodological choices (Bahari, 2010). Research philosophy is crucial in both natural and social sciences since it provides a framework to understand the outcome of the study and enhance the quality of the research (Bahari, 2010). Researchers argue that overlooking philosophical issues can negatively impact the structure and consistency of the research design, and knowledge of the underlying philosophy allows the researcher to understand the appropriate methodology and look for new methodologies (Easterby-Smith et al., 2002).

The philosophical foundation of the study is based on pragmatism, which integrates both qualitative and quantitative approaches to effectively answer complex research questions. Pragmatism is a philosophical stance that allows for flexibility and responding to practical applications, allowing the researcher to select the most suitable approaches to respond to actionable outcomes (Creswell, 2014). It also supports the hypothesis that qualitative and quantitative methodologies are not opposites and hence can be synthesized together to provide a

more diversified understanding of phenomena under study (Malhotra, 2007; Reichardt & Cook, 1979).

Hence, pragmatism philosophy is suitable to analyze the complex relationships between government regulation, strategic orientations, and organizational performance within the case of Ethio-Telecom in an emerging economy. This philosophical background also allows the researcher to use divers set of methods, such as quantitative surveys and statistical analysis to derive patterns and trends which can be projected to comparable contexts. It also facilitated the testing of cause-and-effect hypotheses, particularly in testing the Moderating effect of government regulation/intervention (Cooper & Schindler, 2003; Barbara, 2006).

3.4 Research Design

This study employed a cross-sectional, descriptive, and explanatory research design in examining the relationships between strategic orientations, government regulation, and organizational performance in Ethio-Telecom. The cross-sectional research design is preferred because it allows data to be collected at one time, hence being time-saving, cost-effective, and less prone to researcher bias (Kothari, 2014). The descriptive element is utilized in reporting and summarizing trends, attitudes, and perceptions of managers regarding strategic orientations, while the explanatory research is utilized in examining cause-and-effect and testing theoretical relationships between the variables (Babbie, 2016). The integration and utilization of descriptive and explanatory research provide a clear and systematic understanding of how internal strategies and external regulatory elements influence organizational performance.

3.5 Research Approach

This study utilized a mixed concurrent triangulation research method, which combines both quantitative and qualitative methods in an attempt to achieve a entire explanation of the impact of government regulation and strategic orientations on organizational performance in Ethio-Telecom. The primary focus is on the quantitative component, whereby a five-point Likert scale standardized questionnaire is used to collect data from upper, middle, and lower managers. This is possible due to the fact that this research approach offers a method of objectively quantifying relationships among variables and testing hypotheses (Malhotra, 2007). Quantitative is being used because it can construct empirical generalizable findings using statistical analysis in an effort to observe the impact of various strategic orientations as well as the Moderating role of government regulation.

Moreover, qualitative data will also be gathered in order to have rich insights from the top management, providing context-specific information and fine-tuning quantitative findings' analysis. Mixed-methods technique (triangulation) has the advantage of achieving greater validity for the research by combining breadth of quantitative results with depth of qualitative information. The technique maintains an equilibrium study of how internal strategies and external controls affect performance in a shifting, evolving market environment.

3.6 Population, Sample and Sampling Design

3.6.1 Population

The data was collected from Human Resource department to identify the total population and thus the total number of Ethio Telecom employees is 2,946 during the study period; however, only managerial staff who directly involved in strategic development and organizational performance is to be chosen for the study. Operational and non-managerial staff is to be excluded from the target population. This will maintain focus on those directly involved in decision-making activities that align with or relevant to the study's objectives.

3.6.2 Target Population

Target population for this study refers to the particular group of individuals from which the study's sample will be selected, and it is defined by the relevant criteria of the research objectives (Mugenda & Mugenda, 2003; Creswell, 2006). The target population in this study is 476 managers at Ethio Telecom across management levels, including both top-level managers, middle-level managers and lower-level managers. These managers work in a variety of departments, such as the Service Operation Center, Strategic Planning and Program Management, Telecom Excellence Academy, Legal Affair, Wireless Network, Human Resource Management, Information Systems, Internal Audit, Financial Oppression, Marketing, and Mobile Money Business, etc (Ethio Telecom, 2025).

3.6.3 Unit of Analysis

Unit of analysis refers to the units for which data is to be collected and compared with the aim of making inferences about the phenomena under study (Creswell, 2006). In this study the unit of analysis include Ethio Telecom managers categorized under three levels, that is, top-level managers are the chiefs; while middle-level managers are directors and lower-level managers are line managers and supervisors. These managers play vital role in strategic decision-making, which makes them essential for investigation various strategic orientations namely marketing,

innovation, technology, learning, and entrepreneurial orientation affect organizational performance. As such, their involvement in shaping organization's strategy makes them an appropriate unit of analysis to examine the relationship between strategic orientation and organizational performance.

3.6.4 Sampling Frame and Sampling Technique

The sampling frame of the current study is the 476 managerial staff at Ethio Telecom. The study used proportional stratified sampling technique to ensure the sample accurately represents the distribution of managers. The criterion for stratification was level of management from different unit. In stratified sampling, the population is divided into subgroups or strata based on important characteristics in this case, levels of management and department (Bryman & Bell, 2015). As such, proportional representative managers for every level of management and department were selected for the study. After the strata are determined, simple random sampling was employed to sample people from each stratum and department so that every member of a stratum has got an equal probability of being chosen (Yamane, 1967). This method of sampling guarantees a representative, unbiased sample that takes account of the hierarchical structure within the organization.

3.6.5 Sample Size and Selection Procedure

The sample size refers to the number of participants selected from the target population to participate in the research. Determining adequate sample size is essential to ensure the study's reliability and statistical power (Dattalo, 2008). For this study, the sample size was calculated using Yamane's (1967) formula, which is commonly used for calculating the sample size:

$$n = \frac{N}{1+N(e)^2} = \frac{476}{1+476(0.05)(0.05)} = 217$$

Where:

n = sample size

N = total population (476 managerial staff at Ethio Telecom)

e = margin of error (0.05)

Substituting the values, the sample for this study can be calculated using the formula provided by Yamane (1967) and will give an approximate sample size of 217 managers. The sample will give sufficient representation to allow a valid statistical analysis. To select sample, proportional stratified sampling was used so that there is sufficient representation of each management level

proportionally to its representation in the whole target population. This approach guaranteed that all managerial levels in Ethio-Telecom have been sampled proportionally which in turn allows a comprehensive analysis of managerial perspectives. Thus, the distribution of sample for the study is as follows:

Table 3.1 Distribution of Samples for Survey Questionnaire

Level of Management	Responsibility	Total Number	Sample Proportion	No of Sample
Top-level	Chief	9	$9/476 \times 217 = 4$	4
Middle-level	Director	48	$48/476 \times 217 = 22$	22
Lower -level (Line leader)	Managers	175	$175/476 \times 217 = 80$	80
	Supervisors	244	$244/476 \times 217 = 111$	111
Total		476	217	217

Source: Researcher, 2025

3.7 Selection of Variables and Measures

In the present study Strategic orientation in this study will be investigated using five key dimensions, namely market orientation, innovation orientation, technology orientation, learning orientation and entrepreneurial orientation (Panda, 2014). These dimensions will be assessed using validated scales from existing research. Market orientation was analyzed using a 14-item likert scale based on Narver and Slater's (1990) model, assessing customer orientation, competitor orientation, and inter-functional coordination. Innovation orientation and technology orientation were examined with Gatignon and Xuereb's (1997) 15 and 13-item scale respectively, while learning orientation was determined using the 10-item scale of Hult, Snow, and Kandemir (2003). Lastly, entrepreneurial orientation was evaluated with Covin and Slevin's (1989) 13-item scale of risk-taking, pro-activeness, and innovativeness.

Organizational performance is measured on the basis of financial as well as non-financial metrics. Financial performance is evaluated on the basis of parameters such as revenue growth, profitability, and return on investment, which are commonly used to evaluate organizational performance (Hernaus, Bach, & Vuksic, 2012). Non-financial performance is measured using indicators such as customer satisfaction, customer retention as well as employee satisfaction, and engagement product based on frameworks developed by Chong (2008) and Anwar and Shah (2020). The two-sided strategy allows the assessment of organizational performance from both financial and non-financial sides holistically.

The Moderating variable of government regulation is examined using items borrowed from previous research (Sharma & Bansal, 2013), focusing on the roles of governmental policies, regulations, and rules in shaping organizational performance and strategic orientations. This measure is on a five-point Likert scale, where the respondents indicate the extent of their agreement with statements regarding the impact of government regulation on business activities. Use of standardized scales on all variables adds validity and reliability to the measurement, and five-point Likert scale offers response and analysis convenience. These carefully selected and adapted measures allow a robust analysis of the relationships among strategic orientations and organizational performance using government regulation as a Moderator .

Table 3.2 Operationalization of Variables

Research Objective	Primary Variable	Sub-Variables	Data Collection Method	Data Analysis
To analyze the impact of market orientation on organizational performance.	Market Orientation	Customer Orientation: Customer perception, satisfaction, market share Competitor Orientation: Price positioning, technological adaptation Inter-functional Coordination: (Departmental collaboration)	- Surveys Questionnaire , - Semi-structured interviews, - Review of internal and market reports	Quantitative: Descriptive & inferential statistics (Regression analysis) Qualitative: Thematic analysis
To evaluate the influence of innovation orientation on organizational performance.	Innovation Orientations	Product Innovation Process Innovation Revenue allocated to R&D Strategic alliances/Partnership	- Surveys Questionnaire	Quantitative: Descriptive & inferential statistics (Regression analysis) Qualitative: Thematic analysis
To examine the effect of technology orientation on organizational performance.	Technology Orientation	Technology Adoption Technology Investment/budget Technical Expertise	- Surveys Questionnaire	Quantitative: Descriptive & inferential statistics (Regression analysis) Qualitative: Thematic analysis
To determine the impact of entrepreneurial orientation on organizational performance.	Entrepreneurial Orientation	- Risk-taking: willingness to take calculated risks/investment in new venture/ - Pro-activeness: Acting in anticipation of future market opportunities - Autonomy and Innovation: Decision-making independence, R&D in novel products/service	- Surveys Questionnaire, - Project report analysis	Quantitative: Descriptive & inferential statistics (Regression analysis) Qualitative: Thematic analysis

To determine the influence of learning orientation on organizational performance.	Learning Orientation	- Knowledge Acquisition: focus on acquiring new knowledge and skills - - Knowledge Dissemination: Intra-organizational knowledge sharing - Organizational Adaptability: Ability to adapt and apply new learning to changing circumstances	Surveys Questionnaire	Quantitative: Descriptive & inferential statistics (Regression analysis) Qualitative: Thematic analysis
	Organizational Performance	Financial Performance: -Rate of Return on Investment - Profit Non-Financial Performance (Operational Performance): - Customer Satisfaction - Employee Satisfaction	- Surveys Questionnaire, - Secondary source, report	Quantitative: Descriptive & inferential statistics (Regression analysis) Document Review
To examine the Moderating role of government regulation in the relationship between strategic orientation and organizational performance.	Regulatory Framework (Government Regulation)	Normative Regulations: - Service Pricing Policies - Regulatory Adjustments - Pricing Flexibility - Cost Structure Compliance - Fair Competition Policies Statutory Regulations: - Regulatory Clarity - Regulatory Stability - Compliance Audits - Transparency in Regulatory Processes - Regulatory Enforcement	- Survey Questionnaire, - Interviews with regulatory officials, - Analysis of regulatory and market reports	Quantitative: Descriptive & inferential statistics (Regression analysis)

Source: Researcher, 2025

3.8 Data Type, Data Source and Method of Data Collection

3.8.1 Data Types and Measurement Scales

The study collected quantitative as well as qualitative data to adequately answer research questions. Quantitative data is obtained through the utilization of structured questionnaires of surveys, which contain a series of measurement scales. The measurement scales yield four types of data: nominal, ordinal, interval, and ratio. The nominal data is categorized respondents according to demographic factors such as gender or Position or department. Ordinal data was used to measure variables that have a meaningful order, such as levels of agreement or satisfaction. Interval data will capture variables in which intervals between values are the same, such as attitudes or perceptions on a

Likert scale. Ratio data will measure variables with a real zero point, such as age and years of experience. These measurement scales allow the study to capture both continuous and categorical data, which enhanced the reliability and richness of the study. Quantitative data is statistically analyzed to identify trends and correlation between strategic orientations government regulation and organizational performance. Furthermore, qualitative data is collected via in-depth interviews from senior manager and major decision-makers in Ethio-Telecom. The qualitative data would be coded and analyzed using thematic analysis that would help to identify the patterns and themes related to the role/effect of strategic orientations and performance (Ibrahim, 2012; Denscombe, 2010). The dual method (triangulation) would offer generalizable findings and rich, context-sensitive perspectives.

3.8.2 Source of Data

The study will utilize both secondary and primary data sources to address the research problem comprehensively.

i. Secondary Data

Secondary data is pre-existing data is used to provide background and context for the study. It is cost-effective, time-saving, and readily available, and may include expert's analysis, reports, and publications (Malhotra, 2007; Charles & Mertler, 2002). The data was gathered from a variety of reputable sources, including the Ministry of Innovation and Technology (MinT), Ethiopian Communications Authority and Ethiopian Statistical Service and also academic literature from databases such as Google Scholar and ProQuest as well as un published thesis are used to gather relevant background information on the telecommunications sector and regulatory environment in Ethiopia.

ii. Primary Data

Primary data is collected directly from Ethio-Telecom to address the research objectives related to strategic orientations, government regulation and performance. Both quantitative and qualitative methods were employed, among which are structured surveys questionnaire and in-depth interviews (Aaker et al., 2010). Quantitative data are obtained through a questionnaire that is administered to employees at various managerial levels with a focus on strategic orientations like market, technology, innovation, learning and entrepreneurial orientation. Qualitative data is gathered through semi-structured interviews from top managers and decision-makers regarding strategic decisions and their impact on performance (Ibrahim, 2012; Denscombe, 2010). By

combining both types of data, the study generates a multi-dimensional view of how strategic the strategic orientations and regulations impact on organizational performance, offering a well rounded basis for analysis and conclusions.

3.8.3 Data Collection Techniques

In this study, both primary and secondary data collection techniques are used in order to address the research objectives comprehensively. It investigates the role of strategic orientations on organizational performance with government regulation as a Moderator the case of Ethio-Telecom. This research combined both survey questionnaires and semi-structured interviews to collect primary data. Moreover, secondary data is gathered from annual business report and documents of Ethio telecom.

3.8.3.1 Primary Data Collection

Primary data will be collected through self-administered questionnaires and semi-structured interviews.

i. Self-administered questionnaires

Questionnaires particularly closed-ended questions (on a Likert scale) are used to gather quantitative data. The Likert scale measure the degree to which respondents agreed with statements regarding market orientation, innovation, technological, learning and entrepreneurial orientations and the impact of perceived government regulation on organizational performance. These processes ensure similar responses and ease of processing data (Easterby-Smith et al., 2015). The target sample respondents from various managerial levels at Ethio-Telecom, specifically in business development, marketing, technology, legal affair, HRM, Financial oppression and customer service sections. Three research assistants trained assist in conducting the questionnaires to ensure systematic collection of data and resolve any complications during the process (Leevy et al., 2018).

ii. Semi-structured interviews

Furthermore, senior managers and decision-makers at Ethio-Telecom are interviewed using semi-structured interviews. The interviews seek in-depth perspectives on the role of strategic orientations and government regulations on organizational performance, providing qualitative inputs to the company's strategic programs. Data obtained from the questionnaires is analyzed utilizing multiple regression analysis and to study relationships between strategic orientations, government regulation, and organizational performance particularly moderation analysis using PROCESS

Macro model 1 (Turnbull & King-Heke, 2014) while data obtained from the interview is analyzed thematically.

3.8.3.2 Primary Data Collection

i. Secondary Data Collection

Secondary data are gathered from published materials, government reports, and industry journals. This information provides background to the conclusions drawn from primary data. Sources include government reports such as the Ministry of Innovation and Technology reports and Ethiopian Communications Authority reports. These sources provide insight into the regulatory environment in Ethiopia's telecommunication sector. Furthermore, annual business reports within the company such as financial reports, performance reports and employee and customer satisfaction data were studied in an attempt to understand the strategic orientation of the company and how these impact performance. To make sense the primary data, secondary data is also used to place in the study in the broader economic and regulatory environment. By integrating both primary and secondary data, this study is able to capture a deep understanding of the effect of strategic orientations and government regulation on organizational performance in Ethio-Telecom. The primary data have first-hand information from the company employees at different managerial level, whereas the secondary data supply a background outline of the regulatory process. This allows proper and deep investigation into the Moderating role of government regulation on organizational performance.

3.9. Data Analysis Methods and Mode of Presentation

This study adopted a mixed concurrent triangulation methods in examining both quantitative and qualitative data collected from the employees of Ethio-Telecom. The analysis provides insights into the inter linkages between strategic orientations, government regulation, and organizational performance, applying different statistical and analytical tools.

3.9.1 Data Analysis Methods

i. Quantitative Data Analysis

Quantitative data is also being tested stringently initially to ensure that it is accurate and consistent. The demographic data as well as key variables like means, frequencies, and standard

deviations is reported in the application of descriptive statistics. Descriptive statistics will help in setting a description of the sample's characteristics, like key variables like market orientation, technological orientation, innovation orientation, learning orientation, and entrepreneurial orientation and organizational performance (Krosnick, 2018).

For inferential statistics, Pearson correlation analysis was employed to establish direction and strength of relationship among strategic orientations, government regulation, and organizational performance (Creswell, 2014). PROCESS Macro Model 1 was employed in a bid to estimate hypothesized relations in the model of this study. This model analyzes the relationship between strategic orientations and organizational performance with government regulation acting as the moderator. The multiple regression model is given as:

$$Y = \beta_0 + \sum \beta X + \epsilon$$

Where:

Y = Organizational Performance (dependent variable)

X = Strategic Orientations (independent variables)

β = Path coefficients

ϵ = Error term

Moreover, regression analysis will be applied to examine the strength and direction of relationships between variables. The regression equation will be structured as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \epsilon$$

Where:

Y = Organizational performance

X₁ = Market Orientation

X₂ = Innovation Orientation

X₃ = Technological Orientation

X₄ = Entrepreneurial Orientation

X₅ = Learning Orientation

β_1 to β_5 = Regression coefficients of the respective variables

ϵ = Error term

ii. Moderation Analysis

To examine the moderating role of government regulation in the relationship between strategic orientation and organizational performance, a moderation analysis was performed using the

PROCESS macro (Model 1) developed by Hayes. The method is particularly suitable for small to medium-sized samples and also does not have the assumption of normality, making it reliable for survey-based research in emerging economies (Hair et al., 2017).

An interaction term (Strategic Orientation $\times$ Government Regulation) was created to test whether the direction or strength of the relationship between strategic orientation and performance varies by levels of regulatory support. Bootstrapping techniques with 5,000 resamples were employed to estimate the data, which have more accurate estimates and confidence intervals for the moderation effect.

This approach allowed for examination of whether public regulation enhances or reduces the effect of strategic orientation on organizational performance, and was also useful in determining the external factors that shape strategic effectiveness.

iii. Qualitative Data Analysis

Qualitative data is collected from semi-structured interviews and thematic analysis is used. This method identifies recurring patterns and themes related to strategic orientations and the role of government regulation in organizational performance at Ethio-Telecom.

Table 3.3 Key Informants

Key Informants	No.
Strategic Program Chief	1
Marketing Manager	1
HRM Director	1
Financial Oppression Manager	1
Technology Director	1
Customer Service Supervisor	1
Legal Affair Director	1
Total	7

Source: Researcher, 2025

3.9.2 Mode of Data Presentation

The quantitative findings derived from regression analysis and from descriptive statistics are presented in table form for clarity and simplicity of interpretation. On the other hand, the

qualitative thematic analysis findings are presented in narrative form to capture the richness and context of participants' opinions.

3.10 Quality Assurance: Validity, Reliability, and Ethical Considerations

3.10.1 Validity

For providing both internal and external validity, this study used the earlier measurement scales of past research, Chen and Huang (2008) for HR practices and Hult et al. (2003) for learning orientation to ensure consistency and reliability. Financial and non-financial performance measures are used to measure organizational performance. Content and construct validity check was provided through expert judgment while designing questionnaires. Utilizing established tools and a representative population strengthens internal validity, while the adoption of internationally used scales increases external validity as well as generalizability. Content and construct validity will be achieved by consulting with experts during the questionnaire design phase so that the items actually measure the constructs (Hair et al., 2017).

3.10.2 Reliability

Reliability of measurement was checked by using Cronbach's Alpha and an acceptability cut-off of 0.70 or above is utilized as internal consistency acceptability (Hair et al., 2010). The key constructs such as Market Orientation, Innovation Orientation, Technology Orientation, Learning Orientation and Entrepreneurial Orientation, were checked for the same by following prevailing measurement scales. By calculating Cronbach's Alpha for each construct, the study ensures the items are all measuring the intended concepts all with scores greater than 0.70.

3.10.3 Ethical Considerations

Ethical standards are central to the research process, guided by the principles outlined by Malhotra (2007) and Cooper and Schindler (2001). All participants at Ethio-Telecom are fully aware of what the study is about and what it seeks to achieve, to promote openness and confidence. The questionnaire shall be crafted in a manner that respects respondents' privacy and does not include questions that may make them uncomfortable. Participants have the option of skipping over any questions that they are uncomfortable with and able to withdraw from participation in the study at their discretion without penalty (Leary, 1995; Furlong et al., 2000). Informed consent is obtained from all participants, and their anonymity was guaranteed. The data treated confidentially and only for academic purposes. Special attention will be given to respondents' privacy and dignity during the data collection processes. The researcher will ensure

that no personally identifiable information is collected, maintaining strict confidentiality of all responses. Participants will also be informed of their right to withdraw from the study at any time, reinforcing the ethical standards of the research.

The results of the study will be shared transparently through academic publications, seminars, and panel discussions. Findings will also be communicated with Ethio-Telecom and other relevant stakeholders to ensure practical applicability and value.

Pilot Testing and Diagnostic Procedures

A pilot test with 21 respondents (10% of the targeted sample) was conducted to validate the clarity and reliability of the questionnaire. Cronbach's Alpha was employed in measuring reliability, and any value above 0.70 was seen as satisfactory. Prior to analysis, some diagnostic tests were conducted to validate assumptions for regression. Normality was tested through the Shapiro-Wilk test, histograms, P-P plots, and scatter plots. Univariate outliers were also examined. Multicollinearity was verified using VIF and Tolerance values, while autocorrelation was examined through the Durbin-Watson test. This was to verify data accuracy and ensure validity in results.

CHAPTER FOUR

FINDINGS, RESULTS AND DISCUSSIONS

4.1 Introduction

This chapter presents the results and discussions based on the research objectives. The data were analyzed using both descriptive and inferential statistical methods to provide a comprehensive understanding of the study variables. Descriptive statistics summarize the general characteristics of the data, while inferential statistics test the research hypotheses and examine relationships between variables. The findings are organized according to the key objectives of the study, followed by a detailed discussion interpreting the results in the context of existing literature.

4.2 Response Rate and Reliability Analysis

4.2.1 Response Rate

The study distributed 217 questionnaires to management personnel in Ethio Telecom headquarters. Of the total 204 were returned, resulting in an initial rate of response rate of approximately 94%. Following screening out, 8 responses were excluded due to missing information, leaving 196 valid questionnaires suitable for final analysis. This results in an effective rate of response of around 90.3%.

As per the Journal of the American Medical Association (JAMA) standards, a response rate of above 60% is considered acceptable in survey-based studies, while over 75% is ideal to reduce non-response bias. Thus, the response rate achieved in this study is both adequate and robust, enhancing the credibility and generalizability of the research findings. The detailed response rate information is shown in the table 4.1 below:

Table 4.1 Response Rate

Response	Frequency	Percentage
Returned	196	90.3
Excluded	8	3.7
Unreturned	13	6
Total	217	100

Source: Survey, 2025

4.2.2 Reliability Analysis

Before proceeding to the main analysis, the internal consistency of the constructs was assessed using Cronbach's Alpha. As shown in Table 4.2, all constructs exceeded the minimum acceptable threshold of 0.70 (Nunnally & Bernstein, 1994), indicating that the measurement scales are reliable. The highest reliability was observed for Organizational Performance ($\alpha = 0.933$), followed by Entrepreneurial Orientation ($\alpha = 0.895$), Innovation Orientation ($\alpha = 0.890$), and Technological Orientation ($\alpha = 0.880$). Marketing Orientation ($\alpha = 0.818$), Learning Orientation ($\alpha = 0.780$), and Government Regulation ($\alpha = 0.750$) also showed good internal consistency.

Table 4.2 Results of Reliability for Cronbach's Alpha

Construct	No of Items	Cronbach's Alpha
Marketing Orientation (MO)	14	0.818
Innovation Orientation (IO)	15	0.890
Technological Orientation (IO)	10	0.880
Learning Orientation (LO)	10	0.780
Entrepreneurial Orientation (EO)	13	0.895
Government regulation (GR)	10	0.750
Organizational Performance	22	0.933

Source: Researcher, 2025

4.3 Respondents Profile

To support the analysis, basic demographic information such as gender, age, education level, years of experience, and job position was collected from respondents. Understanding these characteristics helps describe the sample and interpret the results more accurately. Demographic data are important in research because factors like age, education, and job level can influence how people respond, offering deeper insights into the study findings.

Table 4.3 Respondents Demographic Profile

Variables	Attribute	N	Percent
Gender/Sex	Male	170	86.7
	Female	26	13.3
	Total	196	100
Age	20-30	26	13.3
	31-40	60	30.6
	41-50	88	44.9
	51-60years	52	26.5
	Total	196	100
Level of Education	Degree	44	22.4
	Masters	152	77.6
	Total	196	100
Job Position	Chief (COE)	3	1.5
	Director	18	9.2
	Manager	72	36.7
	Supervisor	103	52.6
	Total	196	100
Year of Experience	1-5	7	3.5
	6-10	69	34.5
	More than 10 Years	120	62
	Total	196	100

Source: Survey, 2025

The demographic characteristics of the respondents are presented in Table 4.3. Out of 196 participants, 170 (86.7%) were male and 26 (13.3%) were female, indicating a male-dominated workforce, consistent with Irina, Finn, and Grujovic (2021), who highlight the underrepresentation of women in the telecom industry. The age distribution showed that most respondents, 88 (44.9%), were aged between 41 and 50 years, followed by 60 (30.6%) aged 31–40, 52 (26.5%) aged 51–60, and 26 (13.3%) aged 20–30. This age diversity implies a wealth of experience across different career stages, providing valuable insights into organizational dynamics. Regarding education, 152 respondents (77.6%) held a Master's degree, while 44 (22.4%) held a Bachelor's degree; indicating a highly educated workforce, which enhances the reliability of data regarding strategic decision-making. In terms of job position, 103 (52.6%) were supervisors, 72 (36.7%) were managers, 18 (9.2%) were directors, and 3 (1.5%) were chief executives. This management-level distribution reflects the operational structure of Ethio Telecom, ensuring the sample captures perspectives from various leadership levels. Concerning

professional experience, 120 (61.2%) had more than 10 years of work experience, 69 (35.2%) had between 6 and 10 years, and 7 (3.6%) had between 1 and 5 years. The extensive experience of the majority provides a strong foundation for understanding the impact of strategic orientation on organizational performance, as seasoned employees offer informed and comprehensive insights into organizational strategies and outcomes.

4.4 Strategic Orientation Practice and Organizational Performance

This section provides the descriptive statistics of Organizational Performance and Strategic Orientation by reporting mean and standard deviation for each variable. These measures provide a clear view of data's central tendencies and variability and allow for the understanding of how each construct is perceived by the respondents. This serves as the foundational analysis for the subsequent statistical tests and enhances the overall reliability and interpretability of the study findings.

Regarding strategic orientation practice, Ethio Telecom Strategic Planning and Program Director stated that strategic orientation has continued to be at the center of managing the ever-changing telecom environment. In his opinion, "Our strategy is not just a document it guides us to stay closer to our customers, remain responsive in times of change, and build long-term resilience." Our LEAD strategy (2022–2025) that targets digital transformation is an example of this focus. Nonetheless, bringing this ambitious vision to the ground has been challenging. The director also highlighted, "Aligning this ambitious plans to make practical, especially in area (regions) where there are infrastructure gaps, is one of our major challenge." This reflects that although Ethio Telecom's strategic orientation is clearly articulated, successful implementation needs close link to local capacity and situational context.

4.4.1 Market Orientation

Market Orientation refers to an organization's strategic focus on understanding and responding to customers and competitors in order to enhance performance in emerging markets (Narver & Slater, 1990; Kirca et al., 2005). This study was calibrated on three of Ethio Telecom's most important sub-dimensions: Customer Orientation, Competitor Orientation, and Inter-functional Coordination with a sample size of 196 responses.

Table 4.4 presents an overall market orientation mean score of 4.20 with a standard deviation of 0.68, suggesting that there is a high market-oriented culture among Ethio Telecom employees. This implies that the company is very successful in aligning its oppressions with customer and

competitor needs, an essential strategy for maintaining competitiveness and adapting to changes in the market. This type of alignment is supported by empirical studies, which highlight that businesses with high market orientation will most likely achieve better performance outcomes, including improved innovation, customer satisfaction, and financial performance (Nguyen et al., 2023; Ayimey & Kwarteng, 2022).

❖ **Customer Orientation**

Customer Orientation had the highest dimension-level mean score ($M = 4.27$, $SD = 0.64$), which indicates Ethio Telecom's clear emphasis on listening to and satisfying customers. The highest-scoring one, "Our company's policies and strategies are designed to deliver superior customer value" ($M = 4.59$, $SD = 0.52$), indicates strategic customer satisfaction alignment, whereas the lowest-scoring one, "We regularly conduct surveys to gather insights about customer preferences." ($M = 4.02$, $SD = 0.81$), indicates a lack of systematic feedback collection. This finding supports Salojärvi et al. (2015), who emphasize that customer orientation enhances value creation, and Nguyen et al. (2023), who stress continuous customer insight to support market responsiveness and performance.

❖ **Competitor Orientation**

Competitor Orientation recorded the lowest dimension-level mean score of 4.09 ($SD = 0.65$), indicating a moderate emphasis on competitive intelligence within Ethio Telecom. Its most highly rated item, "Understanding competitor strategies is important in shaping our business plans" ($M = 4.23$, $SD = 0.49$), highlights that strategic awareness of competitor action is appreciated across the organization. However, the lowest ranked item, "Our company tracks competitor offerings and alters its strategies accordingly" ($M = 3.96$, $SD = 0.67$), reflects a lack of continuous adjustment to competitive development. This suggests a potential weakness in proactive market intelligence and strategic adaptability, which could undermine Ethio Telecom's responsiveness in a dynamic market. To back this matter, Liao et al. (2021) and Chavhan et al. (2022) confirmed that businesses with strong competitor orientation stand a better probability of sustaining innovation, flexibility, and long-term marketplace success. The development of processes for constant monitoring of competitors and reactive strategy adjustment could therefore support Ethio Telecom's strategic agility and overall marketplace competitiveness.

❖ **Inter-functional Coordination**

Inter-functional Coordination was a highly common market orientation dimension in Ethio Telecom with the support of a sub-aggregate mean score of 4.25 (SD = 0.74). This implies that the departments work together harmoniously to satisfy the demands of the market. The highest rated statement, “There is strong communication and collaboration between different teams at Ethio Telecom to meet customer needs” (M = 4.38, SD = 0.49), reflects the emphasis of the company on cross-functional collaboration. The statement “Our company established mechanisms for sharing market insights and intelligence across functions” was rated a shade lower (M = 4.09, SD = 0.79), indicating areas where systematic knowledge sharing may be improved.

Effective inter-departmental coordination is central to the strategic value of customer and competitor data. Jaworski and Kohli (1993) cite interdepartmental integration as one of the pillars of success for market orientation. Furthermore, Kahn (2001) emphasizes that inter-functional coordination is a powerful driver on product development performance since it enforces sharing between departments of essential information, supporting quicker and more effective responses to markets. Moreover, Murillo-Oviedo et al. (2020) found that cross-functional integration enables companies to achieve market orientation by spreading knowledge about organizational dynamics and internal customer need awareness. These findings suggest that while Ethio Telecom exhibits high interdepartmental cooperation, there is room for improvement in mechanisms for sharing market intelligence to further increase its market orientation.

Among the three Market Orientation dimensions, Customer Orientation recorded the highest mean score (M = 4.27), followed closely by Inter-functional Coordination (M = 4.25), and Competitor Orientation (M = 4.09). This suggests that Ethio Telecom prioritizes customer needs most strongly, maintains solid internal coordination, but places comparatively less emphasis on monitoring and responding to competitors. Although all dimensions show favorable perceptions, the lower score in Competitor Orientation highlights a strategic gap that, if addressed, could improve market adaptability and competitiveness in a rapidly changing telecom environment.

Table 4.4 Marketing Orientation

1.1 Statement of Customers Orientation	N	Mean	St. Deviation
1. Ethio Telecom regularly collects feedback from customers to understand their needs.	196	4.02	0.81
2. We prioritize meeting the needs and expectations of our customers in all aspects of our services.	196	4.15	0.62
3. Customer satisfaction is a key driver of our decision-making process.	196	4.55	0.49
4. Our company's policies and strategies are designed to deliver superior customer value.	196	4.59	0.52
5. We regularly conduct surveys to gather insights about customer preferences.	196	4.04	0.76
Sub dimensional Mean Score		4.27	0.64
1.2 Statement of Competitors Orientation			
1. Ethio Telecom continuously monitors competitors' activities and strategies in the telecom industry.	196	4.09	0.8
2. We analyze competitors' strengths and weaknesses to identify areas of opportunity.	196	4.07	0.65
3. Understanding competitor strategies is crucial for shaping our business plans.	196	4.23	0.49
4. Our company keeps track of competitor offerings and adjusts its strategies accordingly.	196	3.96	0.67
Sub dimensional Mean Score		4.09	0.65
1.3 Statement of Competitors Orientation			
1. All departments in our company work together to achieve common goals related to market performance.	196	4.17	0.70
2. There is strong communication and collaboration between different teams at Ethio Telecom to meet customer needs.	196	4.38	0.49
3. Our company effectively coordinates the efforts of marketing, sales, product development, and customer service teams.	196	4.31	0.88

4. Our company established mechanisms for sharing market insights and intelligence across functions.	196	4.09	0.79
5. Our company ensures that all employees are aligned in delivering value to customers.	196	4.28	0.84
Sub dimensional Mean Score		4.25	0.74
Overall Mean Score		4.20	0.68

Source: Survey, 2025

Moreover, the interview data from Manager of Marketing Department clearly shows that Ethio Telecom's market orientation has changed significantly. The company has shifted from conventional marketing to data-driven approaches involving SMS, social media, as well as mass media. The beginning of door-to-door sales operations for fixed-line fiber services can be considered as one showcase of our proactive approach. "We are now getting closer to our clients than before." The manager also stated, "This helps us to detect changing demands and respond to more quickly." As such, this indicates that a growing customer-focus culture and better responsiveness to market dynamics, vital for competing in a liberalized telecom landscape.

4.4.2 Innovative Orientation

Innovation orientation reflects an organization's ability and cultural readiness to create and enact new ideas, technologies, and strategies for maintaining a competitive advantage (Hurley & Hult, 1998). As indicated in Table 4.5, the analysis of data from 196 respondents indicates that Ethio Telecom generally has a positive orientation towards innovation with a mean score of 3.96 (SD = 0.92). However, the extent of commitment is different across the three sub-dimensions: product/service innovation, market innovation, and innovation culture and reflects significant strengths in some, with areas that may be open to gaps deserving strategic focus.

Table 4.5 Innovative Orientation

2.1 Statement of Product/Service Innovation	N	Mean	St. Deviation
1. Product or service innovation is a key component of Ethio Telecom's overall business strategy.	196	3.96	0.97
2. Ethio Telecom invests heavily in research and development to create innovative telecom products/services.	196	4.04	0.88
3. Ethio Telecom actively seeks customer feedback when designing	196	4.01	0.88

new products or services.			
4. Ethio Telecom frequently tests new product/service ideas in the market before full deployment.	196	3.98	0.92
5. Ethio Telecom encourages employees to suggest minor improvements or incremental innovations to existing products or services.	196	3.95	0.95
Sub dimensional Mean Score		3.99	0.92
2.2 Statement of Market Innovation			
1. Market innovation is a key driver of our company's growth strategy.	196	3.98	0.93
2. Ethio Telecom actively seeks new market opportunities to expand its reach.	196	4	0.89
3. We frequently launch new market initiatives to capture untapped customer segments.	196	4.01	0.91
4. Our company is proactive in identifying and exploring emerging market trends.	196	3.97	0.95
5. We continuously adjust our market strategies to align with changing customer needs and preferences	196	3.95	0.96
Sub dimensional Mean Score		3.19	0.74
2.3 Statement of Innovation Culture			
1. Innovation is deeply embedded in our organizational culture.	196	4.04	0.83
2. Employees are encouraged to propose and implement new ideas and innovations.	196	4.04	0.85
3. Our company supports a culture of experimentation, even when there is a risk of failure.	196	3.49	1.05
4. Our company reward and recognize employees who contribute to innovative ideas and solutions.	196	4.03	0.89
5. Our company regularly conducts workshops or training to promote a culture of innovation.	196	3.99	0.92
Sub dimensional Mean Score		3.92	0.91
Overall Mean		3.96	0.92

Source: Survey, 2025

❖ The Product/Service Innovation

The Product/Service Innovation sub-dimension of Ethio Telecom received an average of 3.99 (SD = 0.92), reflecting a medium level of integration of innovation into the company's business strategy as a whole. This means that although Ethio Telecom recognizes the importance of innovation and has tried to implement it in its operations, there is scope for further development in terms of integrating innovation into the company's overall strategic plan. The moderate rating suggests that innovation has not yet been fully integrated across all areas of the organization. This shows an opportunity for Ethio Telecom to invest more efforts in deepening innovation in its processes, policies, and practices. In doing this, the company would be able to fully take advantage of innovative ideas and secure its footing in the fast-evolving telecom industry. The highest-rated item, "Ethio Telecom invests a lot in research and development" (M = 4.04), highlights the company's focus on R&D, which aligns with the findings of Singh et al. (2021) that emphasizing the role of R&D in technological innovation and competitive advantage. But the lowest-rated item, "Ethio Telecom encourages employees to suggest incremental innovations" (M = 3.95), suggests area for improvement to promote an innovation culture. According to Hurley and Hult (1998), it is important to get innovation embedded within the company strategy and encourage workers' input as a key determinant of long-run success. These results suggest that while Ethio Telecom does well on investment in R&D, there is potential to enhance its culture for innovation by invigorating its staff and embedding innovation more deeply into its strategy.

❖ Market Innovation

Market Innovation at Ethio Telecom scored 3.98 (SD = 0.93), indicating that the company is actively involved in responding to changing customer needs. The highest-rated item was "launching new initiatives to capture untapped segments" with a mean value of 4.01. It indicates the planned move by Ethio Telecom to new market and reach customers who were previously overlooked. This reflects their proactive approach to market innovation.

However, the lower score for "adjusting strategies to align with changing preferences" (M = 3.95) suggests that Ethio Telecom could improve its ability to adapt quickly to shifts in customer preferences. This is important, as the telecommunications market is constantly evolving, and companies must be flexible to maintain their competitive edge.

The findings are particularly relevant today in the competitive Ethiopian telecom market, particularly in light of the Safaricom entry, which will make the market more competitive. Ethio Telecom has been successful especially in terms of digital services such as launching Telebirr and cloud based solutions or products. But the company cannot make rapid changes in strategies as per the demands and requirements of its customers. Strengthening adaptability will make Ethio Telecom competitive in this dynamic market.

❖ **Innovation Culture**

The Innovation Culture sub-dimension at Ethio Telecom received the lowest mean score ($M = 3.92$, $SD = 0.91$), indicating that some practice of fostering an innovative culture exists but there are still areas requiring improvement. Among the items, the highest-rated statement, “employees are encouraged to propose and implement new ideas” ($M = 4.04$), reflects that there is a positive internal environment where employees are empowered to contribute to innovation. This suggests that Ethio Telecom must create a culture of support that values employee efforts, which is required for long-term innovation success, as noted by Hurley and Hult (1998), who emphasize that a supportive organizational culture is critical for long-term innovation success.

However, the lowest-rated item, “supporting a culture of experimentation despite risk” ($M = 3.49$, $SD = 1.05$), indicates that Ethio Telecom does not want to pursue risk-taking openly is one of the key obstacle to achieve breakthrough innovations. Innovation often requires companies to take risks and experiment, even at the risk of failure. The low score suggests that Ethio Telecom may be cautious in its approach, which could limit the scope for radical innovation. This caution could restrict the capacity of the company to keep pace with rapidly changing market dynamics. Prior research has highlighted the importance of a risk-tolerant culture for fostering disruptive innovation. For instance, Christensen (1997) emphasizes that companies need to create a “culture of experimentation” in order to support transformational change. On the other hand, Companies that shy away from risk may miss out potentially game-changing opportunities. Ethio Telecom's current hesitation or unwillingness to support experimentation would deprive it of the potential to benefit from innovative breakthroughs that are crucial in the fast-evolving telecommunication industry.

In order to enhance its culture of innovation, Ethio Telecom must consider having a culture of encouraging calculated risk taking and failure as a necessary part of the innovation process.

Adding strength to this aspect of its culture will be essential to maintaining a competitive edge and fueling the next wave of technological advancements in the telecommunications space

The comparison analysis highlights that although product and market innovations receive considerable attention, cultural reinforcement is somewhat less prioritized. This disparity may undermine the sustainability of innovation over time. More contemporary studies (Distanont & Khongmalai, 2020; Morrar et al., 2022) verify that companies that excelling in innovation focus not only on developing new products but also of establishing open adaptive cultures that encourage experimentation.

4.4.3 Technology Orientation

Technology orientation is a reflection of a firm's strategic position toward adopting, investing in, and actively utilizing technological innovations to drive innovation and remain competitive. It is critical in enabling organizations to adjust to shifting market conditions and improve service delivery (Zhou & Li, 2010; Wang et al., 2021).

As shown in Table 4.6, the grand mean score of technology orientation of Ethio Telecom is 3.97 (SD = 0.93), indicating strong but yet not fully maximized commitment to the integration of technology into its business and strategic orientation. This suggests that while technology has been recognized as a primary driver of performance, there is still room for stronger alignment and faster implementation at across organizational levels.

Table 4.6 Technology Orientation

3.1 Statement of Technology Adoption	N	Mean	St. Deviation
1. Our organization places a high priority on adopting new technologies to stay competitive.	196	3.99	0.92
2. Technological advancements play a significant role in shaping our company's strategic decisions.	196	3.98	0.97
3. We actively invest in emerging technologies to enhance business operations and innovation.	196	4	0.88
4. Our company quickly adopts new technologies once they become available.	196	3.9	1.01
Sub dimensional Mean Score		3.97	0.93

3.2 Statement of Technology Investment			
1. We prioritize investments in new technologies to enhance the quality of service delivery.	196	3.88	1.02
2. We consistently invest in upgrading our technology infrastructure.	196	4.05	0.89
3. The company is committed to investing in research and development to enhance technology capabilities.	196	4	0.87
Sub dimensional Mean Score		3.98	0.93
3.3 Statement of Technology Pro-activeness			
1. Ethio Telecom actively seeks out emerging technologies to stay ahead of competitors.	196	3.93	0.96
2. We are proactive in identifying and adopting technologies that improve customer experience.	196	3.98	0.89
3. Ethio Telecom is always ready to invest in new technologies that improve operational performance.	196	4.02	0.93
Sub dimensional Mean Score		3.98	0.93
Overall Mean Core		3.97	0.93

Source: Survey, 2025

❖ **Technology Adoption**

The sub-dimensional mean score for technology adoption is 3.97 (SD = 0.93), which represents a high strategic significance attributed to the use of technology, “We actively invest in emerging technologies to enhance business operations and innovation” (M = 4.00), emphasizes the intent of the company to stay updated. However, the lowest-rated item, “Our company quickly adopts new technologies once they become available” (M = 3.90), points to a possible lag in implementation speed. This finding is consistent with Voudouris et al. (2012), who note that timely technology adoption is crucial for firms operating in high-paced industries like telecommunications.

❖ **Technology Investment**

Technology investment scored slightly higher with a mean of 3.98 (SD = 0.93). The item “We consistently invest in upgrading our technology infrastructure” received the highest rating (M = 4.05), indicating Ethio Telecom’s strength in possessing the most up-to-date systems.

Nevertheless, the lowest-rated item, “We prioritize investments in new technologies to enhance the quality of service delivery” ($M = 3.88$), suggests an area of intervention in improving how investments relate to the quality of service delivery outcomes. This is in line with findings by Bharadwaj et al. (2013), which emphasize that investments in infrastructure must be tied directly to customer value in order to secure strategic returns.

❖ **Technology Pro-activeness**

Technology pro-activeness also recorded a strong sub-dimensional mean of 3.98 ($SD = 0.93$). The highest-rated item, “Ethio Telecom is always ready to invest in new technologies that improve operational performance” ($M = 4.02$), reflects a forward-looking mindset. Conversely, the relatively lower rating for “Ethio Telecom actively seeks out emerging technologies to stay ahead of competitors” ($M = 3.93$) signals room for improvement as far as competitive scanning is concerned. According to Narver et al. (2004), proactive technology orientation is essential for anticipating market change and sustaining innovation.

All three sub-dimensions: adoption ($M = 3.97$), investment ($M = 3.98$), and pro-activeness ($M = 3.98$) are closely aligned, which implies a balanced technology orientation. However, minor differences in item-level ratings reveal that while Ethio Telecom is performing well in terms of infrastructure maintenance and planning investments in advance, there is room to accelerate the pace of adoption and be more responsive strategically to emerging technologies. As supported by recent studies (Wamba et al., 2020; Mikalef et al., 2019), integrate fast-paced adoption with proactive and well-aligned technological investments have been shown to outcompete others in digital transformation as well as business operational efficiency.

Moreover, the Director of Innovation and Technology emphasized that Telebirr as a milestone or landmark achievement. The platform integrates multiple services like electricity bills, internet packages, transport, and health payments into one digital ecosystem. He said, “Telebirr was about more than technology; it was about inclusion”. However, launching such innovations was not smooth. Regulatory approval took two years, highlighting institutional barriers. This implies Ethio Telecom is technologically progressive and ambitious but faces regulatory resistance to realize its innovation goals fully.

4.4.4 Learning Orientation

Learning Orientation refers to an organization’s commitment to creating, acquiring, and using knowledge to enhance its capabilities and performance (Sinkula, Baker, & Noordewier, 1997).

This study aimed to assess the level of learning orientation at Ethio Telecom by examining three core dimensions: Knowledge Acquisition, Knowledge Dissemination, and Knowledge Use/Application. The results are derived from the responses of 196 participants and include item-level mean scores, sub-dimensional averages, and an overall summary.

Table 4.7 Learning Orientation

4.1 Statement of Knowledge Acquisition	N	Mean	St. Deviation
1. Ethio Telecom invests in research to better understand customer needs and market trends.	196	3.48	0.85
2. Our company regularly monitors new developments in telecom technology to stay competitive.	196	3.57	0.85
3. We have established strong relationships with academic institutions or research bodies for knowledge acquisition	196	3.43	0.92
4. We encourage employees to attend workshops and training programs to enhance their skills.	196	3.62	0.88
Sub dimensional Mean Score		3.53	0.88
4.2 Statement of Knowledge Dissemination			
1. Our company has systems in place for sharing knowledge across different departments.	196	3.51	0.88
2. Employees are encouraged to share best practices and insights with their colleagues.	196	3.6	0.88
3. We have formal channels for disseminating new information and knowledge throughout the organization.	196	3.57	0.87
Sub dimensional Mean Score		3.56	0.88
4.3 Statement of Knowledge Use/Application			
1. Our company effectively applies newly acquired knowledge to improve business processes.	196	3.59	0.88
2. Knowledge gained from external sources is systematically applied to product and service innovations.	196	3.57	0.89
3. We use the knowledge gained from customer feedback to improve service delivery.	196	3.55	0.88
Sub dimensional Mean Score		3.57	0.88
Overall Mean Score		3.55	0.88

Source: Survey, 2025

As can be seen from Table 4.7, the overall mean score for learning orientation at Ethio Telecom is 3.55 (SD = 0.88), which reflects a moderate-positive attitude of employees towards the organization's concern for fostering a learning-driven culture. This score suggests that, it may be assumed that although Ethio Telecom reflects a fair level of commitment for gaining, sharing, and applying knowledge, there is still considerable room to ensure a strong or highly proactive position on learning orientation. A mean above the midpoint (3.00) signifies that there are learning practices and they are appreciated, yet the moderate score implies that the practices are not yet established and consistently reinforced across all organizational levels. This finding aligns with literature emphasizing that a robust learning orientation is essential for innovation and sustained competitiveness (Sinkula et al., 1997). Therefore, to move from a moderate to a strong learning culture, Ethio Telecom may need to extend its organizational learning systems, invest more in formal knowledge processes, and promote continuous improvement as a strategic core value.

❖ Knowledge Acquisition

The Knowledge Acquisition sub-dimension at Ethio Telecom recorded a mean score of 3.53 (SD = 0.88) which was a moderately favorable perception among employees regarding the organizational effort to acquire knowledge. This score indicates that although there exists some realization regarding effort towards pooling and accumulating new knowledge, the perception is not very high, which reveals areas where the organization may need to work towards improving the external knowledge acquisition process.

Among the individual items, the highest-rated item was “We encourage employees to attend workshops and training programs to enhance their skills” (M = 3.62, SD = 0.88). This suggests a strong internal focus on capacity building, with employees acknowledging that Ethio Telecom supports their professional development through formal training activities. Training programs and workshops are the necessary components in enabling employees to master both technical and soft skills in order to remain competitive in an industry that is subject to change. This finding is consistent with research by Argote and Ingram (2000), who highlighted the importance of internal knowledge development for organizational performance and adaptability.

The lowest-rated item within this sub-dimension was “We have established strong relationships with academic institutions or research bodies for knowledge acquisition” (M = 3.43, SD = 0.92). This item reflects that there is relatively weaker emphasis of the organization on external

sourcing of knowledge. Though Ethio Telecom appears to be investing in knowledge-generating activities internally, it is likely to be overlooking possibilities for utilizing outside expertise such as academic research or industry partnerships. According to Chesbrough (2003), combining external knowledge is a central component in enabling innovation and the attainment of competitive edges. Enhancing collaboration with research institutions or universities can provide the firm with exposure to new technologies and innovative practices, enhancing its knowledge acquisition strategy.

❖ **Knowledge Dissemination**

The Knowledge Dissemination sub-dimension at Ethio Telecom registered a mean score of 3.56 (SD = 0.88), which indicates an overall decent but not excellent view of the dissemination of knowledge in the company. This implies that efforts are actually being made to facilitate knowledge to flow, but there is room for improvement in terms of structure and systematization. The highest-rated item in this dimension was “Employees are encouraged to share best practices and insights with their colleagues” (M = 3.60, SD = 0.88). This reflects a positive organizational culture that encourages peer-to-peer learning and informal knowledge sharing. These are practices that are essential in promoting practical learning and individual-level collaboration. Research by Nonaka and Takeuchi (1995) emphasizes the importance of tacit knowledge sharing through social interaction as a foundation for organizational learning.

However, the lowest-rated item “Our company has systems in place for sharing knowledge across different departments” (M = 3.51, SD = 0.88) suggests that formal mechanisms for spreading knowledge are scarce. Although informal sharing is evidently encouraged, the relatively lower score on structured systems may imply a lack of institutionalized platforms, such as knowledge management systems, cross-functional teams, that can support broader and more consistent information flow. As Gold, Malhotra, and Segars (2001) argue, successful dissemination of knowledge requires not only a culture of openness but also robust technological and procedural infrastructure to ensure knowledge is accessible throughout the firm.

❖ **Knowledge Use/Application**

The Knowledge Use/Application sub-dimension at Ethio Telecom recorded an average score of 3.57 (SD = 0.88), that meant a reasonably high perception by employees of the organizational ability to apply knowledge acquired effectively. This dimension reflects how well the organization integrates learning into its operations, decision-making, and innovation efforts.

The highest-rated item was “Our company effectively applies newly acquired knowledge to improve business processes” ($M = 3.59$, $SD = 0.88$), indicates that the employees recognize that there is a clear linkage between learning and process improvement. This is proof that the company is capable of converting knowledge into fruitful improvement—a key element of dynamic capabilities that drive organizational performance (Teece, Pisano & Shuen, 1997).

On the other hand, the lowest rated was “We use the knowledge gained from customer feedback to improve service delivery” ($M = 3.55$, $SD = 0.88$). Although the rating is positive but moderate, it suggests that Ethio Telecom may not yet have had systems or strategic emphasis set in place to utilize customer feedback into service innovation. Day (2000) argued that exploitation of customer knowledge is very important in terms of ensuring market responsiveness and customer satisfaction. The relatively low score here reflects the potential lack of Ethio Telecom's learning cycle from external stakeholders, and in particular customers, whose views are a valuable resource for continuous improvement.

Among the three sub-dimensions of learning orientation at Ethio Telecom, Knowledge Use/Application recorded the highest mean score ($M = 3.57$), followed closely by Knowledge Dissemination ($M = 3.56$), while Knowledge Acquisition scored the lowest ($M = 3.53$). Although the differences are minimal, they offer valuable insights into the relative strengths and a weakness of the organization's learning orientation. The slightly higher score in Knowledge Use/Application suggests that Ethio Telecom has a stronger capacity to use existing knowledge in practical terms, which is an indication of an established learning from operations capability. However, the lower score in knowledge acquisition suggests a relative lack of accessing new knowledge, particularly external sources, that can hinder long-term innovation. This pattern aligns with the view that although internal learning mechanisms may be in place, the organization's learning culture could be further strengthened by expanding its external knowledge interfaces or sources and enhancing formal systems for knowledge flow (Lichtenthaler, 2016; Chesbrough, 2003).

In addition, the interview data collected from HRM director showed that although employees are supported to acquire first degrees and get annual short-term training, there are no postgraduate or structured continuous learning programs. To this end, the director admitted “Learning is encouraged, but we haven't built a system that truly supports deep, lifelong development” This

implies there is a limitation on human capital development which could affect innovation, motivation, and retaining talented employees in the long run.

4.4.5 Entrepreneurial Orientation

Entrepreneurial Orientation refers a firm's strategic position, reflecting its tendency toward innovativeness, risk-taking, and pro-activeness. These are the key elements to success in environments with rapid changes and organizational performance, particularly in rapidly changing industries like telecommunications (Lumpkin & Dess, 1996). In the case of Ethio Telecom, stimulating Entrepreneurial Orientation is key in sustaining leadership and competitiveness. As can be seen from Table 4.8, the overall mean score for Entrepreneurial Orientation was 3.98 (SD = 0.90), indicating that respondents generally perceive the organization as demonstrating a strong entrepreneurial position across all three dimensions.

Table 4.8 Entrepreneurial Orientation

5.1 Statement of Innovativeness	N	Mean	St. Deviation
1. We invest heavily in research and development to create new solutions.	196	4.00	0.89
2. We actively seek new ways to innovate our processes and offerings.	196	3.98	0.92
3. The company encourages employees to come up with new ideas for products or services.	196	4.00	0.88
4. Our company frequently introduces new products and services to the market.	196	3.98	0.89
Sub Dimensional Mean Score		3.99	0.89
5.2 Statement of Risk Taking			
1. We invest in new ideas even when the outcomes are uncertain.	196	3.93	0.93
2. Our company is willing to take significant risks to achieve growth and success.	196	3.97	0.95
3. We are open to pursuing opportunities in uncertain and dynamic market conditions.	196	4.00	0.87
4. When launching new services, we are comfortable with the risk involved.	196	3.96	0.93
Sub Dimensional Mean Score		3.97	0.92

5.3 Statement of Pro-activeness			
1. Our company actively seeks out new business opportunities in the telecom market.	196	3.92	0.94
2. We are quick to respond to changes in the telecom industry before competitors do.	196	3.98	0.85
3. Ethio Telecom anticipates market trends and acts on them early.	196	3.98	0.89
4. We proactively engage with customers to understand their evolving needs.	196	4.02	0.86
Our company constantly looks for ways to gain a competitive edge before others.	196	3.97	0.91
Sub Dimensional Mean Score		3.97	0.89
Overall Mean Score		3.98	0.90

Source: Survey, 2025

❖ **Innovativeness**

This sub-dimension attained the highest mean score of 3.99 (SD = 0.89), reflecting a culture that favorable for creativity, experimentation, and product development. The highest-rated item was “The company encourages employees to come up with new ideas for products or services” (Mean = 4.00, SD = 0.88), highlighting strong internal support for bottom-up or grassroots innovation. The lowest-rated item, though still high, was “We actively seek new ways to innovate our processes and offerings” (Mean = 3.98, SD = 0.92). These results are consistent with Wales et al. (2021), who argue that internal idea generation and employee-driven innovation are foundational to sustained entrepreneurial behavior in technology-intensive firms. These findings align with Wales et al. (2021), who emphasize that employee-driven innovation and internal ideation are core elements of entrepreneurial orientation, especially in knowledge-intensive industries. Similarly, Hughes and Morgan (2007) found that firms with strong internal encouragement for innovation tend to better competitors in dynamic environments, as internal creative capacity enhances strategic flexibility.

❖ **Risk-taking**

Risk-taking recorded a mean score of 3.97 (SD = 0.92), depicting overall positive perception of the willingness of Ethio Telecom employees to take risks. The highest-rated item was “We are open to pursuing opportunities in uncertain and dynamic market conditions” (Mean = 4.00, SD =

0.87), which shows that the firm is willing to operate business in a volatile situations and does not shy away from uncertainty when it perceives strategic opportunity. This reflects a foundational entrepreneurial attribute engaging with external turbulence as a source of opportunity rather than solely as a threat.

Conversely, the lowest-rated item was “We invest in new ideas even when the outcomes are uncertain” (Mean = 3.93, SD = 0.93). While still relatively high, this score reflects a more cautious attitude when financial resources are at stake, indicating a preference for calculated, rather than speculative, investments. This nuance illustrates a key characteristic of EO in public or state-owned enterprises like Ethio Telecom: decision-making under uncertainty is filtered through layers of bureaucratic oversight and accountability systems.

This finding aligns with Lumpkin and Dess (1996, 2021), who argue that risk-taking in entrepreneurial organizations is not monolithic it varies by context, structure, and organizational culture. In firms with high institutional control, such as government-owned entities, risk is typically managed in a deliberate, strategic manner rather than via aggressive or impulsive moves. Similarly, recent studies (Miller, 2020) has suggested that firms in extremely regulated industries like telecommunication are prone to balance out risk-taking through formal decision protocols to prevent potential resource misallocation.

❖ **Pro-activeness**

Pro-activeness also achieved a mean score of 3.97 (SD = 0.89), that captures the forward-strategic action of the firm. The highest-rated item was “We proactively engage with customers to understand their evolving needs” (Mean = 4.02, SD = 0.86), reflecting customer- focused market responsiveness. The lowest-rated was “Our company actively seeks out new business opportunities in the telecom market” (Mean = 3.92, SD = 0.94), suggesting slightly less emphasis on aggressive search for markets. These trends correspond with Rauch et al. (2019), who emphasize that pro-activeness is particularly impactful or effective when integrated with customer insight mechanisms.

Among the three Entrepreneurial Orientation dimensions, Innovativeness slightly takes the lead, followed closely by Risk-Taking and Pro-activeness, both scoring 3.97. The item-level analysis indicates that although Ethio Telecom performs exceptionally well on internal idea generation and customer responsiveness, it is slightly less aggressive in direct investment in the presence of uncertainty and in pursuing new markets aggressively. This indicates a strategically balanced

Entrepreneurial Orientation profile slightly inclined toward innovation, with cautious risk management and selective pro-activity.

Apart from this, the interview data from director of innovation and technology also reveal that despite the achievements in Telebirr, there are gaps and weaknesses in promoting entrepreneurial culture. He stated, “We don't have programs that create innovation at the grassroots level. We don't yet partner effectively with universities or operate youth innovation lab like INSA.” This reflects a lost opportunity to institutionalize creativity and entrepreneurial growth, which could drive game-changing innovation and keep Ethio Telecom ahead of other upcoming competitors.

4.4.6 Government Regulation

Government regulation can be categorized as normative (based on social norms and expectations) and statutory (legally enforced rules). Normative regulations guide behavior through accepted standards and industry practices, while statutory regulations are formal laws imposed by government authorities. Together, they shape organizational conduct by blending societal expectations with legal mandates (Scott, 2008).

The descriptive statistics presented in Table 4.9 indicate that Government Regulation plays a significant role in shaping Ethio Telecom's strategic and operational activities, with an overall mean score of 4.27 (SD = 0.69), suggesting strong agreement among respondents.

Normative Regulation also has a slightly higher mean (4.32, SD = 0.56) compared to Statutory Regulation (4.22, SD = 0.69), indicating that dynamic adjustments to evolving standards and policies is slightly more emphasized compared to rigid legal obligations. The finding is aligned with current research conducted by Tesfaye et al. (2023), highlight how Ethiopian telecom firms proactively align corporate behavior with regulatory directions to attain strategic fit.

The highest rated item was “Ethio Telecom strictly follows government rules and regulations in its daily operations” (M = 4.52, SD = 0.52), reflecting a strong culture of compliance. In contrast, The lowest rated item was “Ethio Telecom's ability to enter new markets is significantly influenced by government policies” (M = 3.82, SD = 0.88), suggesting that though compliance is strong, regulatory constraints may have the potential to restrict market expansion. These findings confirm the dual nature of regulation both as a facilitator of an enabler of strategic alignment.

Table 4.9 Government Regulation

5.1 Statement of Normative Regulation	N	Mean	St. Deviation
1. Ethio Telecom adjusts its business strategy in response to changes in government policies.	196	4.46	0.54
2. Government regulations require Ethio telecom to constantly adjust its business practices to ensure compliance.	196	4.38	0.599
3. Ethio Telecom continuously adapts its corporate culture and practices to align with evolving government regulations and industry standards.	196	3.99	0.69
4. Regulatory changes often require Ethio Telecom to make operational adjustments that affect its performance.	196	4.44	0.53
5. Ethio Telecom's market conditions are largely shaped by government regulations on competition and market entry.	196	4.33	0.53
Sub Dimensional Mean Score		4.32	0.56
5.2 Statement of Statutory Regulation			
1. Government regulations significantly influence the strategic direction of Ethio Telecom.	196	4.36	0.58
2. The government controls key factors like pricing and market access, which directly affect Ethio Telecom's operations.	196	4.29	0.72
3. Ethio Telecom's ability to expand into new markets is significantly influenced by government policies.	196	3.82	0.88
4. The process of acquiring licenses for new services or expanding in new regions is largely governed by government regulations.	196	4.13	0.75
5. Ethio Telecom strictly complies with government regulations in its daily operations.	196	4.52	0.52
Sub Dimensional Mean Score		4.22	0.69
Overall Mean		4.27	0.69

Source: Survey, 2025

Regarding government regulation, the interview data from Senior Manager of Regulatory Affair Directorate indicated that our unit has a role to ensure our company complies with the national

telecom laws and coordinates with Ethiopian Communication Authority. To this regard, the director reflected that due to prolonged regulatory delays, the process of launching Telebirr took nearly two years which later holdback innovation. Moreover, a director from the Strategy and Business Development Program also revealed that, “Our plans often overtake the current regulatory framework. We need systems capable of keeping up with us.” This indicates that there is a significant need for more flexible and responsive regulatory processes to facilitate telecom innovation and fast-tracking service launch.

4.4.7 Organizational Performance

Organizational Performance refers to how effectively an organization achieves its goals, often measured through financial and non-financial indicators such as profitability, revenue growth, return on investment (ROI), customer satisfaction, retention, employee satisfaction, and operational efficiency (Richard et al., 2009).

4.4.7.1 Financial Performance

Financial performance is a core indicator of organizational health, reflecting the effectiveness of strategic initiatives and operational efficiency. As part of this study, three key financial dimensions: Revenue Growth, Profitability, and Return on Investment (ROI) were measured to evaluate Ethio Telecom’s financial position.

The results shown in Table 4.10 indicate a strong perceived Financial Performance (FP) for Ethio Telecom, with an overall mean score of 4.50 (SD = 0.53), suggesting a high level of agreement among respondents of the company on the key financial dimensions: Revenue Growth, Profitability, and Return on Investment (ROI).

Table 4.10 Financial Performance

7.1 Statement of Revenue Growth	N	Mean	St. Deviation
1. Our company has consistently increased its revenue year over year.	196	4.61	0.489
2. We have successfully expanded our customer base, resulting in higher revenues.	196	4.64	0.513
3. The revenue from new telecom services has contributed positively to our growth.	196	4.56	0.52
Sub Dimensional Mean Score		4.60	0.51

7.2 Statement of Profitability			
1. Our company has consistently increased its profit margins over the past year.	196	4.59	0.49
2. The profit generated from our services has improved steadily over the last three years.	196	4.63	0.5
3. Our company maintains strong profit margins.	196	4.66	0.53
Sub Dimensional Mean Score		4.63	0.51
7.3 Statement of Return on Investment/ROI			
1. The return on investment for new telecom technologies has met or exceeded expectations.	196	4.2	0.58
2. We regularly analyze our ROI for various projects to ensure financial viability.	196	4.33	0.68
3. Our company consistently achieves high returns on our telecom investments.	196	4.32	0.5
Sub Dimensional Mean Score		4.28	0.59
Overall Mean Score		4.5	0.53

Source: Survey, 2025

❖ Revenue Growth

This sub-dimension recorded a mean score of 4.60 (SD = 0.51), indicating a positive perception of Ethio Telecom's continuous growth of its revenues. Among the three items, the highest-rated was "We have successfully expanded our customer base, resulting in higher revenues" (M = 4.64, SD = 0.51), reflecting strong market expansion efforts. This aligns with findings by Bekele & Teshome (2023), who reported that strategic customer acquisition initiatives significantly contribute to revenue growth in Ethiopia's telecom sector. The lowest-rated item within this subcategory, "The revenue from new telecom services has contributed positively to our growth" (M = 4.56, SD = 0.52), though still high, suggests slightly more conservative views on innovation-based revenue sources.

As can be seen from Table 4.11 empirical survey data is corroborated by recent financial records, which reveal consistent upward movement in revenue. The revenue trend of Ethio Telecom from 2018/19 to 2023/24 shows a consistent upward trajectory, indicating strong financial growth. Starting at 36.3 billion Birr in 2018/19, revenue more than doubled to reach 93.7 billion Birr in

2023/24. Although annual growth rates fluctuate, they remain positive each year, with remarkable peaks in 2019/20 (31.4%) and 2022/23 (23.5%). This sustained growth reflects effective market expansion, increased service demand, and possibly strategic investments in digital infrastructure and services.

Table 4.11 Ethio telecom Revenue Growth over the Last Six Years

Fiscal Year	Revenue (in Billion Birr)	Yearly Growth (in percent)
2018/19	36.3	7%
2019/20	47.7	31.4%
2020/21	56.5	18.4%
2021/22	61.3	8.5%
2022/23	75.8	23.5%
2023/24	93.7	21.7%

Source: Annual Report of Ethio Telecom, 2024

❖ Profitability

Profitability was rated highest among the three measures of financial performance, with a mean score of 4.63 (SD = 0.51) on its sub-dimension, indicating strong profit performance and steady growth. The item “Our company maintains strong profit margins” recorded the highest mean across all financial performance items (M = 4.66, SD = 0.53), suggesting effective cost control and value creation strategies. This aligns with Wolde and Kebede (2024), who observed that Ethio Telecom benefits from a state-supported market position, enabling stable and often above-average profit margins due to limited competition. Although the statement “Our company has consistently increased its profit margins over the past year” received a slightly lower mean value (M = 4.59, SD = 0.49), the slight difference reflects a consistently positive perception of profitability across all measures.

Empirical evidence also substantiates these perceptions. As shown in Table 4.12, Ethio Telecom’s net profit has fluctuated over the past four fiscal years. The company registered 15.7 billion Birr in 2018/19, which grew significantly to 29.9 billion Birr in 2020/21, reflecting strong financial performance. However, profits declined to 18.78 billion Birr in 2022/23, possibly due to growing competition from new entrants like Safaricom Ethiopia, regulatory challenges, or operational inefficiencies. In 2023/24, the company saw a partial recovery, with net profit rising to 21.79 billion Birr. This represents a 16.03% increase from the previous year, indicating a

return to upward growth. The interview data from the finance oppression director also proved that current improvement was driven by strategic initiatives such as the DO2SAVE cost optimization program. Similarly, interview data from corporate strategy and transformation directorate indicated that the recovery was also supported by efforts on revenue diversification, cost management, and best use of resources further boosting profitability. Moreover, the interview responses of technology and supply chain management Directorate clearly shows that the implementation of the DO2SAVE strategy has significantly contributed to Ethio Telecom’s profit growth. DO2SAVE, standing for Digitalization, Operational Excellence, and cost Saving, has helped us improve efficiency and reduce costs in response to market competition, especially after the entry of Safaricom Ethiopia. By automating services, integrating digital platforms like Telebirr, and optimizing internal operations and resource use, we have been able to cut infrastructure costs and eliminate redundancies. This strategy plays a vital role in sustaining profitability and strengthening our market position.

These findings are in line with a study by Lee & Shin (2022), who observed that telecom operators integrating legacy infrastructure with modern digital technologies are likely to record high profitability due to reduced marginal costs and improved customer retention. Ethio Telecom’s performance is a good example, showcasing its ability to maintain strong profit margins while adapting to technological advancements and market demands.

Table 4.12 Ethio telecom Net Profit over the Last Four Years

Fiscal Year	Net Profit in (in Billion Birr)
2018/19	15.7
2020/21	29.9
2022/23	18.78
2023/24	21.79

Source: Annual Report of Ethio telecom, 2024,

❖ Return on Investment (ROI)

ROI recorded the lowest sub-dimensional mean score at 4.28 (SD = 0.59), suggesting relatively cautious optimism concerning investment returns. The lowest-rated item overall was “The return on investment for new telecom technologies has met or exceeded expectations” (M = 4.20, SD = 0.58), possibly reflecting perceived uncertainty or lag in returns from recent technological upgrades. However, the item “We regularly analyze our ROI for various projects to ensure

financial viability” ($M = 4.33$, $SD = 0.68$) scored higher, indicating good financial control practices. These findings align with Mengistu & Alemu (2023), who found that although Ethio Telecom invests heavily in technology, realization of returns is often frustrated by infrastructure and regulatory constraints.

Among the three financial indicators, Profitability emerged as the strongest, followed by Revenue Growth, while ROI was slightly behind. This suggests that while the organization effectively manages its core financials and revenue drivers, it faces more moderate challenges in maximizing returns on recent investments. This pattern aligns with empirical findings by Richard et al. (2009) who noted that companies with monopoly funding often shows better revenue and profit performance than ROI, particularly during periods of digital transformation.

4.4.7.2 Non-Financial Performance

Non-Financial Performance reflects an organization’s effectiveness in delivering value beyond financial metrics, focusing on areas such as customer satisfaction, customer retention, and employee engagement. These dimensions are critical for sustaining long-term organizational success, especially in service sectors like telecommunications (Kaplan & Norton, 2004; Ahmed & Tekle, 2023). As illustrated in Table 4.13, the analysis of Ethio Telecom’s Non-Financial Performance indicates a generally positive perception among respondents. The overall mean score of 4.02 ($SD = 0.66$) suggests a strong performance in non-financial areas, particularly in aspects related to customer experience and employee engagement. The non-financial performance construct was assessed through three key sub-dimensions: Customer Satisfaction, Customer Retention, and Employee Satisfaction and Engagement (ESE). Each of these dimensions reflects critical organizational capabilities that contribute to sustainable value creation beyond traditional financial outcomes.

Table 4.13 Non-Financial Performance

8.1 Statement of Customers Satisfaction	N	Mean	St. Deviation
1. Our customers are generally satisfied with the quality of our telecom services.	196	4.2	0.67
2. We regularly receive positive feedback from our customer base.	196	3.6	1.08
3. Customer complaints are efficiently resolved in our organization.	196	4.05	0.64

4. Our company is committed to resolving customer issues quickly and effectively.	196	4.06	0.6
5. Customer satisfaction is a key priority for our company.	196	4.31	0.52
Sub Dimensional Mean Score		4.04	0.70
8.2 Statement of Customer Retention			
1. Our company has a high customer retention rate.	196	4.08	0.78
2. We track customer retention metrics and make improvements to enhance loyalty.	196	3.85	0.63
3. We have effective customer loyalty programs in place.	196	3.87	0.69
4. Our services have a strong reputation that encourages customers to stay with us.	196	4.18	0.47
Sub Dimensional Mean Score		3.99	0.64
8.3 Statement of Return on Employees Satisfaction and Engagement/ESE			
1. Our employees are generally satisfied with their work environment and career development opportunities.	196	3.89	0.67
2. Employees at our company feel valued and motivated to contribute to its success.	196	3.98	0.61
3. Our company fosters a culture of employee engagement and empowerment.	196	4.07	0.66
4. We actively encourage and support employees' professional growth.	196	4.13	0.56
Sub Dimensional Mean Score		4.02	0.63
Overall Mean Score		4.02	0.66

Source: Survey, 2025

❖ Customer Satisfaction

The Non-Financial Performance of Ethio Telecom was assessed through three core sub-dimensions, namely Customer Satisfaction, Customer Retention, and Employee Satisfaction and Engagement (ESE). Among these, Customer Satisfaction emerged as the highest-rated sub-dimension with a mean score of 4.04 (SD = 0.70). Within this category, the highest-rated item was “Customer satisfaction is a key priority for our company” (M = 4.31, SD = 0.52), reflecting the company’s strong strategic commitment to customer-oriented values. On the other hand, the

lowest-rated item under this sub-dimension was “We regularly receive positive feedback from our customer base” ($M = 3.60$, $SD = 1.08$), suggesting that either positive feedback is not received on a regular basis or, more probably, company lacks a structured and proactive feedback collection mechanism. This discrepancy may indicate that, although customer satisfaction is clearly emphasized at the strategic level, there are operational shortcomings in putting in place systems to capture and act upon customer feedback on an ongoing basis.

This result aligns with study conducted by Kim and Mauborgne (2023), who argue that though many organizations articulate customer-centric strategies, the absence of real-time feedback loops often hinders their ability to translate these strategies into effective customer experiences. Likewise, Parasuraman et al. (2022) emphasize that customer satisfaction today relies largely on systematic and continuous feedback mechanisms, which allow companies to act on evolving expectations in a timely manner. A study by Girma and Fikadu (2023) on telecom operators in Sub-Saharan Africa found that despite high-level strategic prioritization of customer satisfaction, many firms lacked integrated customer insight systems resulting in missed opportunities for service improvement and customer engagement. In totality, these findings point out the need for Ethio Telecom to strengthen its operational practices by embedding robust feedback mechanisms that align with its strategic customer orientation.

❖ Customer Retention

Customer Retention scored a slightly lower mean of 3.99 ($SD = 0.64$), implying that while customers tend to remain with the company, retention efforts may not be fully strategic or data-driven. Here, the highest-rated item was “Our services have a strong reputation that encourages customers to stay with us” ($M = 4.18$, $SD = 0.47$), shows that Ethio Telecom has a good brand image and customer trust. However, the item “We track customer retention metrics and make improvements to enhance loyalty” received the lowest rating ($M = 3.85$, $SD = 0.63$), indicates potential areas of weakness in using data-driven retention strategies or an underdeveloped customer loyalty framework. This discrepancy suggests that while retention may be occurring naturally due to brand loyalty, it is not necessarily being actively managed through systematic efforts.

These findings are consistent with recent research. For instance, Lee and Park (2022) found that telecom operators with advanced customer analytics and targeted retention possessed much higher customer loyalty and reduced churn rates. Similarly, Choudhury et al. (2023) point out

that in competitive telecom markets, passive retention fueled by brand power is not sufficient anymore; businesses need to leverage data insights to implement customized retention programs. This suggests that while the reputation of Ethio Telecom is a valuable asset, further investment in analytical tools and proactive loyalty programs will be required to sustain and improve retention outcomes.

❖ **Employee Satisfaction and Engagement**

Employee Satisfaction and Engagement, recorded a mean score of 4.02 (SD = 0.63), closely aligning with the overall NFP mean and indicating a generally positive internal perception among employees. The highest-rated item, “We actively encourage and support employees’ professional growth” (M = 4.13, SD = 0.56), reflects Ethio Telecom’s strong emphasis on capacity building and career advancement. On the other hand, the lowest-rated item, “Our employees are generally satisfied with their work environment and career development opportunities” (M = 3.89, SD = 0.67), suggests room for improvement in providing conducive working conditions and clearly defined career paths.

The findings are supported by recent literature. Ahmed and Tekle (2023), in their study on telecom firms in East Africa, found that despite the fact that firms have high spending on employee training programs, challenges persist in aligning these efforts with employees’ expectations for work-life balance and long-term career progression. Likewise, Mensah et al. (2022) emphasize that employee engagement is closely associated not just with training opportunities but also with both the quality of the physical work environment and its psychological status. This implies that while Ethio Telecom's initiatives toward professional development are effective, attention should also be directed toward improving workplace environment and enhancing career satisfaction to foster greater employee commitment or engagement.

A comparative analysis of the three sub-dimensions shows relatively consistent performance, with Customer Satisfaction (M = 4.04) and ESE (M = 4.02) performing slightly better than Customer Retention (M = 3.99). This consistency underscores a well balanced organizational focus on both external and internal stakeholders. However, the slight decline in customer retention scores highlights the need for improved tracking and strategic loyalty-building initiatives.

In relation to company's performance and customer satisfaction, the interview data from the Finance and Strategy Division clearly shows that, the company has shown remarkable financial success with 22% revenue and 21% profit growth in the previous fiscal year. But, a customer service supervisor pointed out there is a continuing complaint about network issues from our customers. He noted, "Revenue alone doesn't reflect our performance. We get constant feedback that tells another story." One of the senior executive mentioned, "We need to have customer satisfaction indices as part of our KPIs to get a more accurate performance picture." This implies that though financial metrics are improving, customer-centric performance indicators must be prioritized to ensure holistic success.

In short, the collective insights from Ethio Telecom's key informants of the different level and departments suggest that the company is advancing strategically and technologically. However, deeper integration of learning, entrepreneurship support, and customer feedback with increased regulatory responsiveness will be critical to the success of its LEAD strategy. In other words, real transformation requires not only strategy and technology but also a supportive culture, engaged workforce, customer focus, and an enabling external policy environment.

4.5 Inferential Statistics

This study aimed to investigate the Role of Strategic Orientation on Organizational Performance: Examining the moderating effect of government regulation in Ethio Telecom. The analysis aimed to examine how the relationship between strategic orientation and performance outcomes is influenced by the moderating effect of government regulation, assessing not only the direct impact of strategic orientation but also how this effect varies under different levels of regulatory pressure. To conduct this investigation, the researcher utilized SPSS for data coding, entry, and analysis, applying multiple regression techniques. The PROCESS macro 1 was employed to specifically test the moderation effects. Empirical results were derived from regression outputs, including Correlation, ANOVA and coefficient tables, providing insights into the strength and nature of the associations among the variables. The study was conducted within the organizational context of Ethio Telecom. The findings are discussed in relation to existing literature, offering a comprehensive and evidence-based interpretation of how strategic orientation and regulatory factors jointly influence organizational performance.

4.5.1 Correlation Analysis Result

This section provides findings on the correlation between the independent variables and dependent variable under study. Thus, Table 4.14 presents the Pearson correlation coefficients among the key study variables: Market Orientation (MO), Innovative Orientation (IO), Technology Orientation (TO), Learning Orientation (LO), Entrepreneurial Orientation (EO), Government Regulation (GR) and Organizational Performance (OP) based on data from 196 respondents. The correlation analysis was used to show the relationship between variables in terms of strength and direction. As such, all reported correlations are significant at the 0.01 level (2-tailed), indicating robust statistical relationships among the constructs. According to Cohen (1988), a correlation coefficient (r) between .60 and .79 is considered strong, between .40 and .59 is moderate while value between .20 and .39 is weak.

Organizational performance, the dependent variable, is strongly and positively correlated with Market Orientation ($r = .740, p < .001$), suggesting that firms with a higher market orientation tend to achieve better performance outcomes. Similarly, Innovative Orientation shows a strong positive association with organizational performance ($r = .644, p < .001$), supporting the idea that innovation is critical for organizational success.

Technology Orientation also correlates positively with organizational performance but with a low effect size ($r = .340, p < .001$), indicating a significant yet relatively weaker relationship compared to marketing orientation and innovation orientation. Learning Orientation shows a moderate positive correlation with Organizational performance ($r = .481, p < .001$), highlighting the importance of knowledge acquisition and internal learning processes in driving performance. Entrepreneurial Orientation is moderately related to organizational performance ($r = .556, p < .001$), which supports the theoretical view that proactive, risk-taking, and innovative behaviors contribute positively to companies performance.

Government Regulation, conceptualized in this study as a potential Moderator, shows a moderate positive correlation with organizational performance ($r = .438, p < .001$). Government regulation also reveals statistically significant correlations with all strategic orientation constructs: MO ($r = .428, p < .001$), IO ($r = .313, p < .001$), TO ($r = .282, p < .001$), LO ($r = .270, p < .001$), and EO ($r = .403, p < .001$). These results suggest that government regulation is not only associated with firm performance but also aligns closely with various strategic orientations, providing

empirical support for its possible Moderating role in the relationship between strategic orientation and performance.

In general, the correlation analysis reveals that all strategic orientations are significantly associated with organizational performance, and government regulation is meaningfully correlated with both the independent and dependent variables. This pattern of associations justifies further analysis using regression-based Moderation models to examine whether government regulation moderates the influence of strategic orientation constructs on performance outcomes.

Table 4.14 Correlation Result: Strategic Orientation, Government Regulation and Organizational Performance

		OP	MO	IO	TO	LO	EO	GR
OP	Pearson Correlation	1.000						
	Sig. (2- tailed)							
MO	Pearson Correlation	.740**	1.000					
	Sig. (2- tailed)	.000						
IO	Pearson Correlation	.644**	.568**	1.000				
	Sig. (2- tailed)	.000	.000					
TO	Pearson Correlation	.340**	.251**	.265**	1.000			
	Sig. (2- tailed)	.000	.000	.000				
LO	Pearson Correlation	.481**	.346**	.325**	.215**	1.000		
	Sig. (2- tailed)	.000	.000	.000	.002			
EO	Pearson Correlation	.556**	.508**	.312**	.179**	.346**	1.000	
	Sig. (2- tailed)	.000	.000	.000	.012	.000		
GR	Pearson Correlation	.438**	.428**	.313**	.282**	.270**	.403**	1.000
	Sig. (2- tailed)	.000	.000	.000	.000	.000	.000	
	N	196	196	196	196	196	196	196

** Correlation is significant at the 0.01 level (2-tailed).

Source: Survey, 2025

4.5.2 Diagnostic Test Result

Before conducting inferential analyses, diagnostic tests for normality, heteroscedasticity, autocorrelation, and multicollinearity were performed to ensure the data were unbiased and suitable for reliable estimation.

❖ Univariate Outliers

Outliers are values that are much higher or lower than most other values in the data. Hence, univariate outliers were assessed using standardized z-values. According to the conventional threshold (± 3.29), any case exceeding this range is considered a potential outlier (Tabachnick &

Fidell, 2013). As shown in the Table 4.15, none of the variables had z-values beyond ± 3.29 , indicating no extreme univariate outliers were present in the dataset ($n = 196$). Therefore, all cases were retained for further analysis.

Table 4.15 Univariate Outliers

Variable	Standardized Z-value	
	Minimum	Maximum
Marketing Orientation	2.81	2.09
Innovation Orientation	3.26	1.96
Technology Orientation	2.89	1.80
Learning Orientation	2.67	2.35
Entrepreneurial Orientation	2.10	2.22
Government Regulation	2.82	2.11
Organizational Performance	3.16	1.85
Note: $n=196$, if Z-value above ± 3.29 is considered as an outlier		

Source: Survey, 2025

❖ Normality Test

The histogram (Figure 4.1) illustrates the distribution of the regression standardized residuals for the dependent variable, Organizational Performance, with the normal curve overlaid. Residuals have a mean of approximately $1.19\text{E-}15$ and a standard deviation of 0.987, based on a sample size of 196. The shape of the histogram close to that of the normal curve, indicating that the residuals are almost normally distributed, thereby satisfies one of the primary assumptions of linear regression.

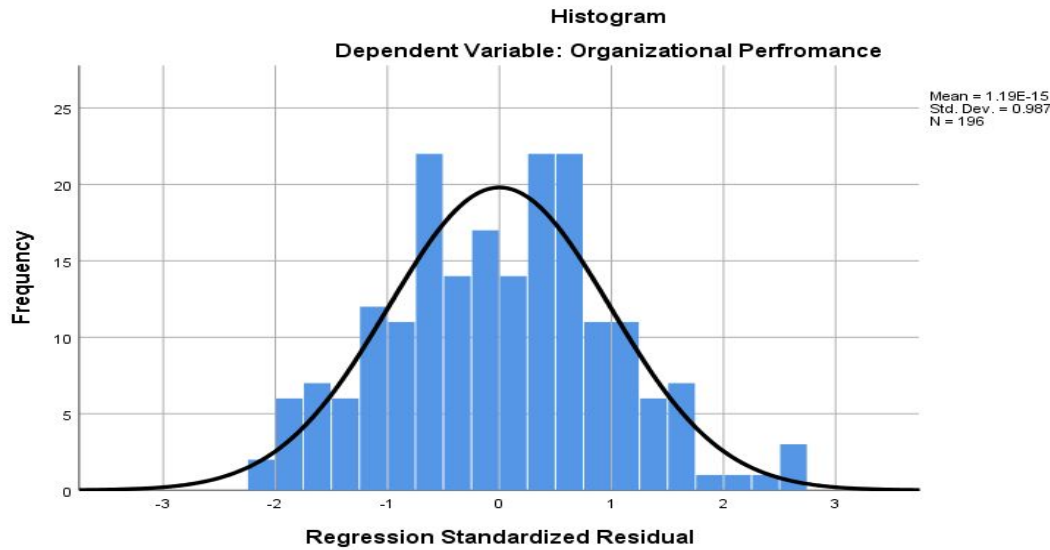


Figure 4.1 Histogram Normal Distribution of Data

Source: Survey, 2025

To support the histogram findings, normality was further assessed using the Shapiro-Wilk test. This test assumes a null hypothesis of normal distribution, which is supported when the assumption Sig. (2-tailed) value is greater than 0.05. As such, as can be seen from Table 4.16, it is evident that all the variables reported a significance values exceed the threshold value, substantiating the null hypothesis and demonstrating that the data are normally distributed which coincide with the histograms.

Table 4.16 Statistic of Shapiro-Wilk Test

Variable	Statistic	Df	Sig.
Marketing Orientation	0.985	196	0.091
Innovation Orientation	0.981	196	0.123
Technology Orientation	0.990	196	0.227
Learning Orientation	0.987	196	0.074
Entrepreneurial Orientation	0.984	196	0.119
Government Regulation	0.988	196	0.202
Organizational Performance	0.986	196	0.085

Source: Survey, 2025

❖ Heteroskedasticity Test

The scatter plot (Figure 4.2) of regression standardized residuals versus standardized predicted values for organizational performance shows that the points are randomly and evenly dispersed

around zero, with no pattern or shape. This shows that the assumptions of linearity and homoskedasticity (constant variance of residuals) are met, indicating that the regression model is appropriate for the data.

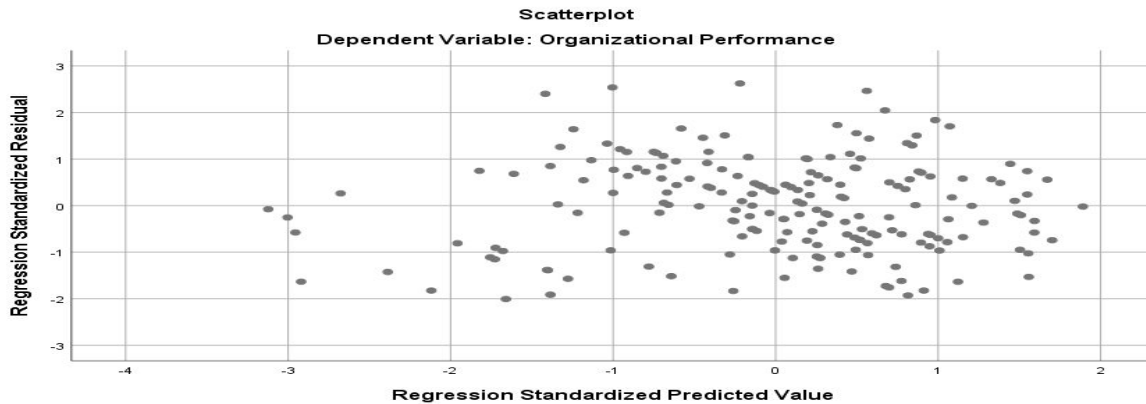


Figure 4.2 Scatter Plot
Source Survey, 2025

❖ Linearity

The scatter plot for standardized residuals against standardized predicted values for organizational performance shows the points to be randomly and evenly scattered around zero without any pattern or form. This shows that linearity and homoscedasticity (equal variance of residuals) assumptions are met, and hence the regression model well describes the data.

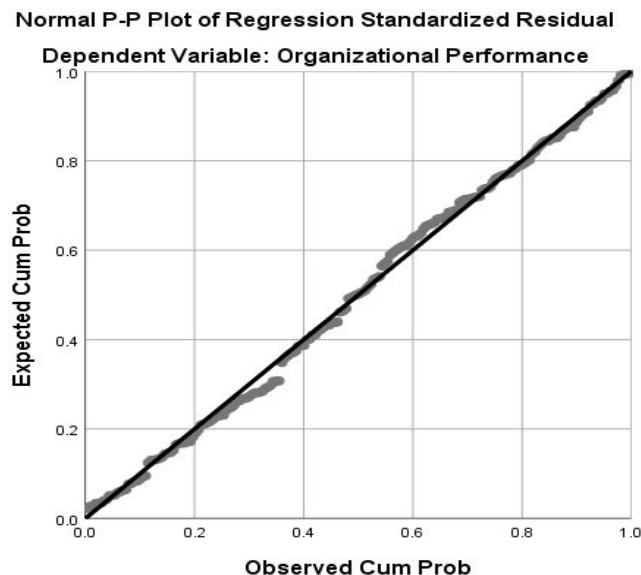


Figure 4.3 Linearity Graph
Source Survey, 2025

❖ Auto-correlation Test

The autocorrelation was performed using the Durbin-Watson statistic, which ranges between 0 and 4. According to Field (2009), a Durbin-Watson value around 2 indicates no autocorrelation, and values between 1.5 and 2.5 are considered normal. The Durbin-Watson value of 1.640 in Table 4.17 indicates that there is no autocorrelation in the residuals as it falls in the range, so the null hypothesis was accepted.

Table 4.17 Model Summary with Durbin-Watson Statistics

Model R	R square (R ²)	Adjusted R square (AdjR ²)	Std. Error of the Estimate	Durbin-Watson
.834	.696	.687	0.18106	1.640

a. Predictors: (Constant), Government Regulation, Learning Orientation, Technology Orientation, Innovation Orientation, Entrepreneurial Orientation, Market Orientation

b. Dependent Variable: Organizational Performance

Source: *Survey, 2025*

❖ Multicollinearity Test

Table 4.18 provides the multicollinearity statistics for the independent variables. All tolerance values are above 0.2 and all VIF (Variance Inflation Factor) values are well below the critical threshold of 5, indicating no multicollinearity issues among the predictors. This implies that the variables are sufficiently independent and suitable to be employed in the regression model.

Table 4.18 Multicollinearity

Variable	Tolerance	VIF
Market Orientation	.527	1.897
Innovation Orientation	.645	1.549
Technology Orientation	.874	1.144
Learning Orientation	.805	1.241
Entrepreneurial Orientation	.676	1.479
Government Regulation	.736	1.358

Source: *Survey, 2025*

4.5.3 Multiple Regressions without Moderation

4.5.3.1. Model Summary

This study aimed to examine the role of strategic orientation on organizational performance at Ethio Telecom. Specifically, it focused on the combined effect of six key factors (marketing, innovation, technology, learning, entrepreneurial orientation, and government regulation). To

assess their overall influence, a multiple linear regression analysis was conducted with these six variables as predictors of organizational performance. The results of this analysis are presented in the form of a model summary, ANOVA and coefficient tables.

As can be seen from the Table 4.19, the results of the multiple regression analysis demonstrate a strong relationship between strategic orientations and organizational performance. The model yielded an R value of 0.834, indicating a strong positive correlation between the independent variables (market, innovation, technological, entrepreneurial orientation, government regulation) and the dependent variable (organizational performance). The R Square value of 0.696 suggests that approximately 69.6% of the variance in organizational performance can be explained by these strategic orientations, while the Adjusted R Square (R^2) of 0.687 accounts for the number of predictors in the model, confirming a robust model fit. Other factors not covered in this study account for 29.4% of the variance in the strategic performance of Ethio telecom, highlighting the need for further research to explore these additional influences.

Table 4.19 Regression Model Summary

Model	R	R square (R^2)	Adjusted R square (Adju. R^2)	Std. Error of the Estimate
1	.834	.696	.687	0.18106

a. Predictors: (Constant), Government Regulation, Learning Orientation, Technology Orientation, Innovation Orientation, Entrepreneurial Orientation, Market Orientation

b. Dependent Variable: Organizational Performance

Source: Survey, 2025

4.5.3.2. Analysis of Variance/ANOVA Result

The ANOVA results in Table 4.20 shows an F-value of 72.241 with p-level of <.001 ($F(6, 189) = 72.241, p < .001$). Since the p-value is below the threshold value of 0.05, the regression model is significant. This indicates that the combined strategic orientations significantly contribute to predicting organizational performance and that the model provides a good overall fit.

Table 4.20 ANOVA

Model	Sum of Square	df	Mean Square	F	Sig.
Regression	14.210	6	2.368	72.241	.000 ^b
Residual	6.196	189	0.033		
Total	20.406	195			

a. Dependent Variable: Organizational Performance

b. Predictors: (Constant), Government Regulation, Learning Orientation, Technology Orientation, Innovation Orientation, Entrepreneurial Orientation, Market Orientation

Source: Survey, 2025

The study chose to interpret the unstandardized B-coefficients instead of the standardized beta coefficients because all predictor variables (marketing, innovation, technology, learning, entrepreneurial orientations, and government regulation) were measured using the same Likert scale, and the constant value was found to be significant. The multiple regression result in Table 4.15 shows that marketing orientation ($B=.415, p=.000$), innovation orientation ($B=.248, p=.000$), technology orientation ($B=.083, p=0.039$), learning orientation ($B=.165, p=.000$), entrepreneurial orientation ($B=.165, p=.000$) are significant and positively related with the Ethio telecom performance while government regulation ($B=.039, p=.376$) is not statistically significant.

Hence, the hypothesized model is expressed as:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \varepsilon; \text{ where } Y$$

represents Organizational Performance and the predictors X_1 to X_5 correspond to five dimensions of Strategic Orientation: Market Orientation (MO), Innovative Orientation (IO), Technological Orientation (TO), Learning Orientation (LO), and Entrepreneurial Orientation (EO). The estimated regression equation based on the analysis is:

$$Y = -0.244 + 0.415MO + 0.248IO + 0.083TO + 0.165LO + 0.164EO$$

The results indicate that all five strategic orientations have a positive influence on performance with varying degree. When all of them combined in one model, the most significant predictor of organizational performance is Market Orientation, exerting the strongest effect ($\beta=0.415$), followed by Innovative Orientation ($\beta=0.248$). Learning and Entrepreneurial Orientations show moderate positive impacts ($\beta=0.165$ and $\beta=0.164$, respectively), while Technological Orientation has the smallest effect). The negative constant term ($\beta_0=-0.244$) imply that in the absence of these orientations, the baseline performance would be below zero, though the intercept is less meaningful when predictors are not centered. By and large, the model supports the idea that strategic orientations collectively contribute to improving organizational performance. Although government regulation did not have a statistically significant direct effect on organizational performance in the initial regression model, it was retained for further examination due to its theoretical importance as a moderator. A moderation analysis was, therefore, conducted to test how government regulation influences the strength and direction of the relationship between strategic orientation and organizational performance.

Based on the results presented in Table 4.14, market orientation has the strongest positive effect on the performance of Ethio Telecom. Specifically, a one-unit increase in market orientation

leads to a 0.415 unit improvement in performance, assuming all other factors are held zero. Similarly, innovation orientation contributes to a 0.248 unit increase in performance. In addition, learning orientation, entrepreneurial orientation, and technological orientation result in performance improvements of 0.165, 0.164, and 0.083 units, respectively. These findings underscore the collective importance of strategic orientation dimensions in enhancing the organizational performance of Ethio Telecom.

4.5.4 Hypothesis Testing Results

This study investigates the role of strategic orientation in influencing organizational performance using government regulation as a Moderator. To address this objective, a set of hypotheses were developed and tested using regression analysis. The decision rule for hypothesis testing was based on the t-statistic and p-value: a null hypothesis was rejected if the reported t-value was greater than the table value, 1.96 and the p-value was less than 0.05; otherwise, it was accepted or considered supported.

Table 4.21 presents the regression coefficients, showing how each strategic orientation and government regulation contribute to explaining organizational performance in Ethio Telecom. The un standardized (B) values indicate the expected change in performance for a one-unit change in each predictor, while the standardized (Beta) values show the relative strength of each factor. Based on these results, the hypotheses are evaluated accordingly.

Table 4.21 Regression Coefficients

Model	Un standardized Coefficients		Standardized Coefficients	t	Sig.	Tolerance	VIF
	B	Std.Error	β (Beta)				
(Constant)	-.244	.233		-1.049	.295		
Market Orientation	.415	.058	.396	7.172	.000	.527	1.897
Innovation Orientation	.248	.045	.274	5.488	.000	.645	1.549
Technology Orientation	.083	.040	.089	2.079	.039	.874	1.144
Learning Orientation	.165	.045	.163	3.643	.000	.805	1.241
Entrepreneurial Orientation	.164	.044	.180	3.700	.000	.676	1.479
Government Regulation	.039	.044	.041	.888	.376	.736	1.358

a. Dependent Variable: Organizational Performance

Source: Survey, 2025

Ha₁: Marketing Orientation significantly positive effect Organizational Performance.

Ha₁ evaluates whether marketing orientation significantly positive effect on organizational performance. The result revealed that Market Orientation has the most significantly positive influence on organizational performance ($B = 0.415$, $\beta = 0.396$, $t = 7.172$, $p < .001$). This suggests that a one-unit increase in marketing orientation leads to a 0.415-unit improvement in performance, emphasizing the critical role of customer focus and responsiveness. Hence, Ha₁ is supported. This result aligns with the foundational work of Narver and Slater (1990), who argued that market-oriented firms achieve superior performance by better understanding and responding to customer needs. It is further substantiated by Hult et al. (2020), who highlight that marketing orientation fosters innovation, agility, and customer satisfaction key drivers of sustained competitive advantage. Thus, the current study reaffirms the strategic importance of market orientation as a core capability for organizational success.

Ha₂: Innovation Orientation has significant positive effect on Organizational Performance.

Ha₂ evaluates whether innovation orientation has significantly positive effect on organizational performance. The result shows that Innovation Orientation has significantly positive influence on organizational performance ($B = 0.248$, $\beta = 0.274$, $t = 5.488$, $p < .001$). Consequently, Ha₂ is supported. This finding underscores that organizations prioritizing innovation through the development of new ideas, processes, or services are more likely to achieve improved performance outcomes. This result aligns with the foundational work of Wang and Ahmed (2004), who emphasized that innovation orientation, is a critical driver of competitive advantage, particularly in dynamic environments. Recent empirical studies further substantiate this relationship. For instance, Ayinaddis (2023) examined micro and small manufacturing firms in Ethiopia's Awi Zone and found that product, process, marketing, and organizational innovations positively and significantly impact firm performance, with product innovation having the strongest effect. Similarly, Borodako et al. (2023) highlighted that innovation orientation, coupled with effective knowledge management, enhances business services performance, especially when moderated by technological readiness. These studies collectively reinforce the notion that fostering a culture of innovation is pivotal for organizations aiming to enhance service quality, operational efficiency, and customer satisfaction, thereby achieving sustained competitive advantage.

Ha₃: Technology Orientation has significantly positive influence on organizational Performance

Ha₃ evaluates whether technology orientation has significantly positive effect on organizational performance. The result shows that Technology Orientation has significantly positive effect on organizational performance ($B = 0.083$, $\beta = 0.089$, $t = 2.079$, $p = 0.039$). This suggests that technology contributes to performance enhancement; however, its impact is less pronounced compared to other strategic orientations. As such, Ha₃ is supported. This finding aligns with recent research by Nakabuye et al. (2023), who found that technology orientation positively influences export performance in Ugandan SMEs, particularly when coupled with supply chain agility. Similarly, a study by M'mboga et al. (2023) on Kenyan state corporations in the energy sector revealed that technological orientation positively affects organizational performance, emphasizing the role of technology in enhancing communication, automation, and research and development efforts. However, it's important to note that the impact of technology on performance may vary across contexts. For instance, Brahmana and Kontesa (2024) found that digital orientation did not significantly influence firm performance in Malaysian listed companies, suggesting that the benefits of technology orientation might not be universally applicable and could depend on factors such as industry type, organizational readiness, and external environment. In short, technology contributes positively to organizational performance; its effect is comparatively smaller, highlighting the need for organizations to integrate technology orientation with other strategic capabilities to maximize performance outcomes.

Ha₄: Learning Orientation has significantly positive effect on Organizational Performance

Ha₄ evaluates whether learning orientation has significantly positive effect on organizational performance. The result reveals that learning orientation has significantly positive effect on organizational performance ($B = 0.165$, $\beta = 0.163$, $t = 3.643$, $p < 0.001$). Thus, Ha₄ is supported. This indicates that organizations fostering a culture of continuous learning, adaptability, and knowledge sharing are better equipped to navigate environmental changes and achieve sustained performance outcomes. This finding aligns with the foundational work of Baker and Sinkula (1999), who emphasized that learning orientation enhances an organization's capacity to process information and adapt strategies effectively, thereby improving performance. Similarly, Mahmoud et al. (2020) observed a significant relationship between learning orientation and firm success in African public enterprises, highlighting the universal applicability of learning

orientation across different organizational contexts. Further empirical evidence supports this relationship. For instance, Vega Martinez et al. (2020) found that dimensions of LO, such as commitment to learning and open-mindedness, positively influence organizational performance in SMEs within emerging economies. Moreover, Nnko and John (2022) demonstrated that learning orientation significantly impacts the performance of micro and small agro-processing enterprises in Tanzania, underscoring its relevance in developing economies. Collectively, these studies reinforce the premise that cultivating a strong learning orientation enables organizations to enhance their adaptability, innovate effectively, and maintain a competitive edge, thereby driving superior performance outcomes.

Ha₅: Entrepreneurial Orientation has significantly positive impact on Organizational Performance

Ha₅ evaluates whether entrepreneurial orientation has significantly positive effect on organizational performance. The result depicts that entrepreneurial orientation has strong positive influence on organizational performance ($B = 0.164$, $\beta = 0.180$, $t = 3.700$, $p < 0.001$). Therefore, Ha₅ is supported. This result emphasizes the importance of entrepreneurial orientation encompassing innovativeness, pro-activeness, and risk-taking as a strategic position that enables organizations to identify and exploit new opportunities, thereby enhancing performance outcomes. This finding aligns with Soares and Perin (2020), who found that entrepreneurial orientation positively affects performance both directly and indirectly through Moderator s like learning orientation and innovativeness. Rauch et al. (2009) also confirmed a strong, consistent link between entrepreneurial orientation and performance across cultures.

Ha₆: Government Regulation has significantly positive influence on Organizational Performance

Ha₆ evaluates whether government regulation has significantly positive effect on organizational performance. The findings depicts government regulation was not a statistically significant predictor or direct effect of organizational performance ($B = 0.39$, $\beta = .041$, $t = 0.888$, $p = .376$). Hence, Ha₆ do not support. This highlights the autonomy of internal strategic capabilities in navigating external environments. Moreover, the non-significant effect of government regulation implies that regulation may not directly enhance or hinder performance but it could act as a contextual factor influencing how other strategic orientations function or the strategic response to regulation is already embedded within organizational practices. This result is consistent with

Farashahi and Tajeddin (2018), who found that in state-owned enterprises, regulation shapes strategic environments but lacks direct performance impact. Similarly, recent studies like Khan et al. (2023) argue that regulatory influence is more effective as a moderator, conditioning the strength of internal strategic factors rather than driving outcomes on its own. Finally, the result of the hypothesis is summarized in table 4.22 below:

Table 4.22 Hypotheses Results

Hypothesis	Regression Weight	B	T	p-value	Results
H ₁	MO→OP	.396	7.172	.000	Supported
H ₂	IO→OP	.274	5.488	.000	Supported
H ₃	TO→OP	.089	2.079	.039	Supported
H ₄	LO→OP	.163	3.643	.000	Supported
H ₅	EO→OP	.180	3.700	.000	Supported
H ₆	GR→OP	.041	.888	.376	Don't Support
R	.834				
F(6, 189)	72.241				

Note: *P< 0.05, MO: Market Orientation, IO: Innovation Orientation, TEO: Technology Orientation, LO: Learning Orientation, EO: Entrepreneurial Orientation, GR: Government Regulation

Source: Survey, 2025

4.5.5 The Moderating Role of Government Regulation in the Relationship between Strategic Orientation and Organizational Performance

Moderation analysis is a method used to examine if and how the relationship between two variables changes with the presence or level of a third variable called moderator. Strategic orientation is the independent variable, organizational performance is the dependent variable, and government regulation is the moderator in this study. This analytical framework is conceptually illustrated in the figure below, highlighting the potential interaction between strategic orientation and government regulation in shaping organizational performance outcomes.

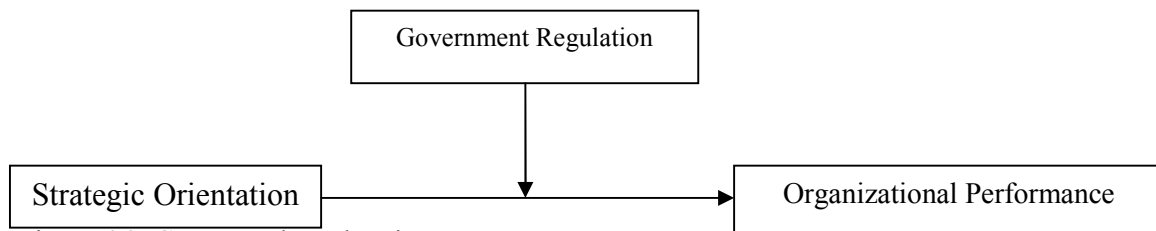


Figure 4.3 Conceptual Moderation

Source: Survey, 2025

The purpose of the analysis is not only to determine the degree to which strategic orientation influences organizational performance in a direct way, but also to evaluate the unique influence government regulation has in determining performance effects. In addition, the study investigates how the interaction between strategic orientation and government regulation alters the strength or direction of their relationship with organizational performance. By exploring this interaction at low (–1 standard deviation), average (mean), and high (+1 standard deviation) levels of government regulation, the study offers critical information on the degree to which the effect of strategic orientation on performance may be conditioned on the level of regulatory environment. The moderation analysis was conducted using PROCESS Macro Model 1 developed by Hayes (2022) in SPSS, to determine whether government regulation acts as a moderator in the relationship between strategic orientation and organizational performance. The analysis was based on data collected from 196 managerial staff at different levels of Ethio Telecom, providing rich insights into how regulatory contexts strengthen or weaken the effect of strategic practices on organizational performance. The analysis employed 5,000 bootstrap samples to estimate bias-corrected confidence intervals to make the estimates more reliable. This approach allowed for the estimation of both direct and interactive effects of strategic orientation and government regulation on performance in organizational setting. As such, the hypothesis (Ha₈) Government regulation moderates the relationship between strategic orientation and organizational performance such that the positive effect of strategic orientation is stronger at higher levels of government regulation will be evaluated using Moderation analysis.

The moderation analysis examined the interaction effect of strategic orientation on organizational performance at different levels of government regulation, with a sample size of 196. The results show a strong overall model fit, indicated by an R² of 0.866, which means that approximately 86.6% of the variance in organizational performance is explained by the combined effect of strategic orientation, government regulation, and their interaction (SO × GR). The model is statistically significant ($F(3,192) = 415.151, p < .001$), confirming the model's explanatory power.

Table 4.23 Regression Model Summary

R	R square (R ²)	MSE	F	df1	df2	P
.931	.931	.014	415.151	3.00	192.00	.000

Source: Survey, 2025

❖ Main Effects and Interaction Effect

The moderated regression analysis revealed that both strategic orientation and government regulation independently and positively affect organizational performance. The statistical summary of the regression model is presented below in table 4.2A.

Table 4.24 Summary of Moderated Regression Analysis Predicting Organizational Performance

	B	T	P	95%CI	
				Low	Up
Constant	-11.747	-6.464	.000	-15.332	-8.163
Government Regulation (A)	2.486	5.769	.000	1.636	3.336
Strategic Orientation (B)	4.168	9.106	.000	3.265	5.071
A*B	-.665	-6.171	.000	-.877	-.452

Source: Survey, 2025

As indicated in table 4.23, the positive and significant coefficient for strategic orientation ($B = 4.168$, $p < .001$) suggests that higher strategic orientation is strongly correlated with improved organizational performance. Government regulation also has a positive significant effect ($B = 2.486$, $p < .001$), which implies that appropriate regulation has the potential to provide stability, direction, or legitimacy in favor of performance.

However, the interaction term ($SO \times GR$) is statistically significant and negative ($B = -0.665$, $p < .001$), indicating a moderation effect. Specifically, the positive impact of strategic orientation on performance dwindles as government regulation is more severe. This finding contradicts Hypothesis Ha_8 that assumed regulation will strengthen the relationship between strategic orientation and organizational performance. Therefore, Ha_7 is rejected.

❖ Conditional Effects of Strategic Orientation at Varying Levels of Government Regulation

To better understand the moderation effect, conditional effects were calculated at three levels of the moderator: low (-1 SD), mean/average, and high (+1 SD) government regulation.

Table 4.25: Conditional Effect of Strategic Orientation

Government Regulation	Effect	SE	t	P	95%CI	
					Low	Up
-1SD (Low)	1.556	.055	28.318	.000	1.447	1.664
Mean (Medium)	1.327	.045	29.660	.000	1.238	1.415
+1SD (High)	1.097	.061	17.944	.000	.977	1.218

Source: Survey, 2025

As depicted in table 4.25, the conditional effects analysis indicates how the effect of strategic orientation on organizational performance varies at different levels of government regulation. At low levels of government regulation (−1 SD), the effect of strategic orientation on performance is strongest, with a coefficient of 1.556 (SE = 0.055, $t = 28.318$, $p < .001$), and a 95% confidence interval of between 1.447 and 1.664, indicating a highly significant and stable relationship. At the average level of regulation, the effect is still positive but slightly less so, with a coefficient of 1.327 (SE = 0.045, $t = 29.660$, $p < .001$; 95% CI [1.238, 1.415]). Curiously, when there is high government regulation (+1 SD), the effect of strategic orientation on performance decreases to 1.097 (SE = 0.061, $t = 17.944$, $p < .001$), although it is still statistically significant (95% CI [0.977, 1.218]). These results suggest that while strategic orientation consistently enhances organizational performance, its effect is more pronounced in less regulated environments and becomes diminished with increasing regulatory intensity. This highlights the moderating role of government regulation, which appears to weaken rather than strengthen the size in the relationship between strategic orientation and organizational performance.

The interaction graph 4.4 provides a clear visual representation of the moderating effect of government regulation on the link between strategic orientation and organizational performance. Three regression lines for low (−1 SD = 3.93), mean (4.27), and high (+1 SD = 4.62) levels of government regulation are presented in the plot. There is a positive linear relationship in all lines, indicating that greater/better strategic orientation improves organizational performance regardless of the regulatory level. However, the steepness of the slopes reduces with the rise in government regulation. The steepest slope i.e., the largest effect of strategic orientation on organizational performance is under low regulatory pressure, while the slope becomes flat with greater regulatory levels, suggesting diminishing returns on strategic efforts with increasing stringency of regulations. This shape of plots supports the statistical results of the moderation

analysis, where the interaction term between SO and GR was negative and significant ($B = -0.665$, $p < .001$). This suggests that government regulation weakens the positive effect of strategic orientation on performance. That is, while strategic orientation remains a key determinant of performance, its effect is less strong under more regulated contexts. This aligns with Contingency Theory (Donaldson, 2001), which holds that organizational effectiveness depends on the congruence between internal strategies and environmental conditions in the external environment. Excessively prescriptive regulatory constraints can limit strategic flexibility, reduce organizational adaptability, and increase compliance costs, thereby eroding the benefit of strategic orientation.

From the Resource-Based View (RBV) standpoint, strategic orientation is an internal dynamic capability that creates competitive advantage. However, its strategic utility may be curtailed by exogenous institutional pressures that stifle resource utilization and innovation. Empirical evidence supports this argument. Zhou and Li (2010) found that under heavily regulated emerging economies, firms do not leverage strategic competencies due to bureaucratic obstacles. Similarly, Kraus et al. (2012) observed that the performance impact of strategic orientation is significantly weakened under strong institutional pressures. Li and Atuahene-Gima (2001) also echoed that misalignment between internal innovation strategies and the external environment can limit performance outcomes.

In summary, the interaction plot illustrates that while strategic orientation positively affects organizational performance under all regulatory environments, its effectiveness declines with the level of regulation, in support of a dampening moderation effect. The results imply that organizations derive optimum benefits from their strategic actions under low to moderately regulated environments. For policymakers, this highlights the necessity to formulate balanced and enabling regulatory frameworks that complement, rather than hinder, strategic decision-making and performance particularly in developing economies such as Ethiopia where over-regulation can suppress innovation, responsiveness, and competitive evolution.

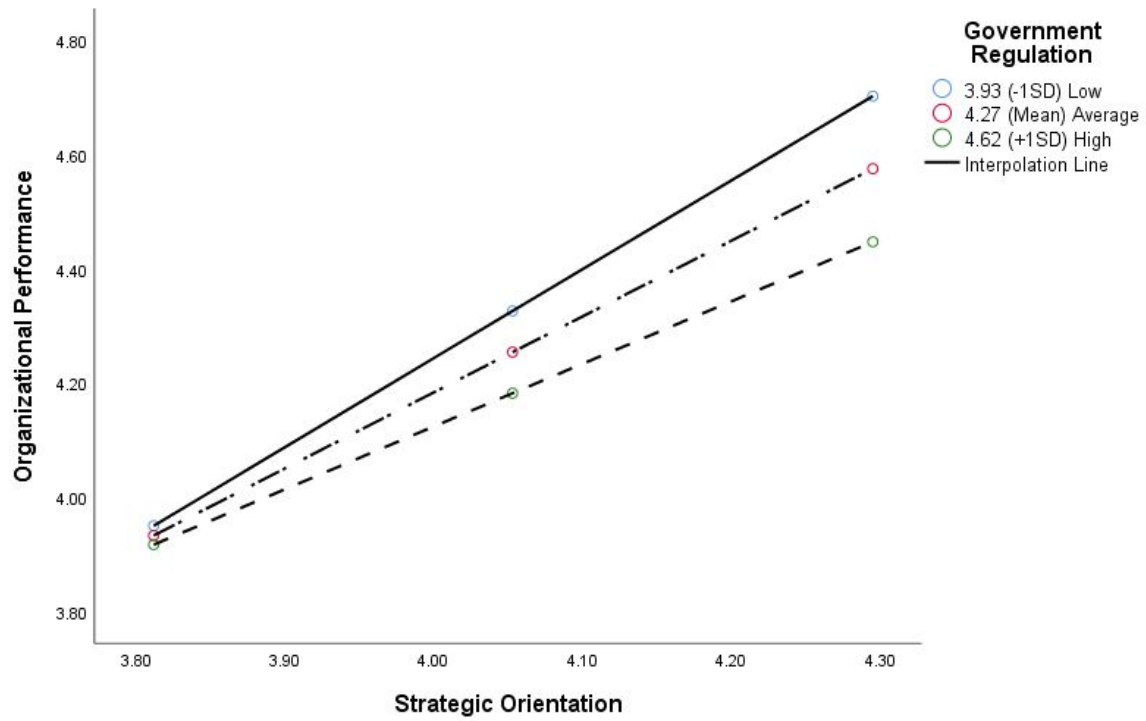


Figure 4.4 Interaction Effect of Government Regulation on the Relationship Between Strategic Orientation and Organizational Performance

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This study aimed to explore the influence of strategic orientations on the organizational performance of Ethio Telecom, with a particular focus on the Moderating role of government regulation. It examined five strategic orientations, namely Market, Innovation, Technology, Learning, and Entrepreneurial and analyzed how government regulation impacts the relationship between these orientations and organizational performance. The research highlights how both internal strategic capabilities and external regulatory constraints shape the performance outcomes in Ethiopia's telecommunications sector. The study employed a concurrent triangulation mixed-methods approach, analyzing the data through both descriptive and inferential statistical techniques. In this section, the study summarizes the key findings, draw conclusions, and provide actionable recommendations for improving Ethio Telecom's performance. Further research could also be proposed in this section.

5.2 Summary

This study examines the relationship between strategic orientation and organizational performance via government regulation as a Moderator using Ethio Telecom as a case study. Strategic orientation was conceptualized as a multi-dimensional construct comprising market, Innovative, technology, learning and entrepreneurial orientations while organizational performance was operationalized as a second-order construct with two dimensions namely financial and non-financial performance, each domain is further broken down into measurable dimensions, which in turn consist of relevant sub-dimensions. A quantitative research approach was employed using structured questionnaires distributed to different levels of management staff, and the analysis was conducted using both multiple regression analysis and PROCESS Macro (Model 1) for Moderation analysis.

Drawing from both descriptive and inferential statistical analyses, the study provides a comprehensive assessment of the internal strategic capabilities and external constraints influencing performance in Ethiopia's dynamic telecommunications sector. Descriptive findings reveal that Ethio Telecom exhibits a strong market orientation ($M = 4.20$, $SD = 0.68$), primarily driven by high customer orientation ($M = 4.27$) and inter-functional coordination ($M = 4.25$),

indicating a customer-centric and collaborative organizational culture. However, competitor orientation scored lower ($M = 4.09$), suggesting a relative weakness in competitive intelligence.

Ethio Telecom's Innovation Orientation is evidenced by notable investments in product development and market expansion; however, a top-down approach and limited risk-tolerant culture restrict the full potential of employee-driven innovation. Technology orientation was moderately strong ($M = 3.97$, $SD = 0.93$), though its implementation remained inconsistent across departments.

Learning orientation demonstrated internal knowledge sharing, but it was hindered by weak external knowledge acquisition and a lack of formal learning structures. The company also showed a balanced entrepreneurial orientation ($M = 3.98$, $SD = 0.90$), with a strong emphasis on innovativeness, followed by risk-taking and pro-activeness, reflecting careful but opportunity-driven behavior suitable for a regulated environment.

On the regulatory facade, the organization maintains high normative compliance, but bureaucratic rigidity and regulatory constraints hinder competitive agility and innovation, particularly in market expansion efforts.

Ethio Telecom demonstrates strong overall organizational performance, with non-financial performance indicators such as customer satisfaction, customer retention, as well as employee satisfaction and engagement scoring slightly higher than financial performance metrics. These findings indicate that the company has effectively aligned its internal operations and stakeholder engagement with strategic objectives, fostering a customer-focused and efficient organizational culture. However, financial outcomes, including profitability and return on investment, while satisfactory, lag slightly behind, suggesting an opportunity to further optimize financial strategies to match its strong non-financial achievements.

Inferential analysis using multiple linear regression confirmed that four strategic orientations, namely market orientation ($B = 0.415$, $\beta = 0.396$, $p < 0.001$), innovation orientation ($B = 0.248$), learning orientation ($B = 0.165$), and entrepreneurial orientation ($B = 0.164$) had statistically significant positive effects on organizational performance. Technology orientation had a weaker but still significant impact ($B = 0.083$, $p = 0.039$). The regression model was robust, accounting for 69.6% of the variance in performance ($R^2 = 0.696$), and met all key statistical assumptions.

The study also employed moderated regression analysis using SPSS PROCESS Macro Model 1 with 5,000 bootstrap samples to examine if Government Regulation (GR) would mediate the link between

strategic orientation and organizational performance, using data from 196 managerial staff of Ethio Telecom. Findings revealed that strategic orientation ($B = 4.168$, $p < .001$, 95% CI [3.265, 5.071]) and government regulation ($B = 2.486$, $p < .001$, 95% CI [1.636, 3.336]) have positive and significant effects on organizational performance. However, the interaction term ($SO \times GR$) was statistically significant and negative ($B = -0.665$, $p < .001$, 95% CI [-0.877, -0.452]), which implies that government regulation diminishes from the positive effect of strategic orientation on performance. Conditional effects underpinned this moderation: the effect of strategic orientation on organizational performance declined from $B = 1.556$ at low government regulation to $B = 1.097$ at high government regulation, though all effects remained significant.

5.3 Conclusion

This study explored the influence of strategic orientations on organizational performance in Ethio Telecom, while accounting for the Moderating role of government regulation. Descriptive analyses revealed that the company exhibits strong Market Orientation driven particularly by Customer Orientation and Inter-functional Coordination indicating a customer-focused and internally collaborative culture. Moderate strengths were also observed in Innovation, Entrepreneurial, Technology, and Learning Orientations, each contributing uniquely to performance. However, certain limitations such as low Competitor Orientation, inconsistent technology integration, limited external learning, and a risk-averse innovation culture highlight areas needing strategic enhancement.

Inferential statistical findings confirmed that all five strategic orientations Market, Innovation, Learning, Entrepreneurial, and Technology have significant positive effects on organizational performance, with Market Orientation exerting the strongest influence. The regression model accounted for a substantial proportion of performance variance ($R^2 = 0.696$), emphasizing the vital role of internal strategic capabilities in driving success. The moderation analysis confirms that while both strategic orientation and government regulation positively influence organizational performance, excessive regulation weakens the impact of strategic orientation. The significant negative interaction effect supports a dampening moderation pattern, leading to the rejection of Hypothesis Ha₇. This underscores the need for a balanced regulatory environment that enables strategic flexibility, particularly in emerging markets like Ethiopia.

Overall, the findings demonstrate that Ethio Telecom's performance is strongly influenced by its strategic orientations, especially those emphasizing customer responsiveness, innovation, and internal learning. Yet, the effectiveness of these strategies is moderated by the regulatory

environment. Government regulation, though essential for accountability and standardization in public enterprises, also poses constraints that inhibit responsiveness and limit the full realization of strategic potential.

From a broader perspective, the study confirms that in dynamic and regulated sectors like telecommunications, strategic orientations are vital for organizational performance but are not self-sufficient. Their success is dependent upon an enabling external environment. As such, Ethio Telecom and similar state-owned enterprises must adopt a dual approach: internally strengthening strategic capabilities while externally advocating for adaptive and sector-sensitive regulatory reforms. Policymakers, in turn, must balance control with flexibility to foster innovation, agility, and sustained competitive performance in emerging market contexts.

5.4 Recommendations

Based on the findings of this study, which highlighted both the strengths and weaknesses in Ethio Telecom's strategic orientation, as well as the limiting effect of government regulation, this section provides practical and relevant recommendations. These suggestions are organized around the five key strategic orientations, namely Market, Innovation, Entrepreneurial, Technology, and Learning and also include regulatory aspects as well as performance. Each recommendation targets specific areas that affect performance, takes into account the unique situation of the organization, and clearly identifies which departments or stakeholders should be responsible for implementing the proposed actions and how they should carry them out.

- To further strengthen its strong market orientation, Ethio Telecom should address key gaps identified in competitor responsiveness, systematic customer feedback collection, and interdepartmental market knowledge sharing. Although the company shows a strong focus on customer needs and internal collaboration, the relatively lower emphasis on competitor orientation indicates vulnerability in adapting proactively to market shifts especially critical in the face of growing competition, such as the entry of Safaricom. Therefore, the Strategy and Market Intelligence Department should take the lead in institutionalizing real-time competitor tracking systems and incorporating competitive insights into strategic planning processes. At the same time, the Customer Experience and Research Department should enhance the regularity, depth, and responsiveness of customer surveys and analytics, ensuring that customer insights are not only gathered consistently but are actively used to guide service innovations and experience improvements. Furthermore, while cross-functional

coordination is strong, there remains room to optimize knowledge flow across departments. The Corporate Communications and Knowledge Management Divisions should implement structured mechanisms such as centralized digital dashboards, regular cross-unit meetings, and internal market insight reports to ensure timely and transparent sharing of customer and market data. By addressing these areas in an integrated manner, Ethio Telecom can build a more balanced and dynamic market orientation strategy that fosters greater adaptability, competitiveness, and customer-centered innovation in a rapidly evolving telecommunications environment.

- To strengthen its innovation orientation, Ethio Telecom should take a strategic approach that integrates innovation more deeply into its organizational framework, enhances adaptability to market changes, and fosters a risk-tolerant culture. The Strategy and Business Development Department, in collaboration with R&D, should prioritize embedding employee-driven incremental innovations into the core business strategy, ensuring that innovation becomes a key element in long-term strategic planning. This includes encouraging and facilitating employee input on innovation, particularly in processes and practices, to create a more innovation-centered organizational culture. The Strategy and Business Development Department, in collaboration with R&D, should prioritize embedding employee-driven incremental innovations into business operations and core strategy, ensuring that innovation becomes a key element in long-term strategic planning. In addition, the Innovation and Technology Division must actively work to establish a supportive culture that embraces calculated risk-taking and experimentation, acknowledging that failure is an integral part of the innovation process. This cultural shift should be reinforced by executive leadership, which must demonstrate visible commitment to innovation initiatives, particularly by aligning performance evaluations, resource allocations, and incentives with innovation outcomes. By aligning these strategies and reinforcing innovation at all levels of the organization, Ethio Telecom will be better positioned to drive both incremental and radical innovation, adapting to a rapidly evolving telecommunications market and maintaining its competitive edge.
- Based on the findings, Ethio Telecom demonstrates strong commitment to technology integration, but key limitations remain, including a slower pace of technology adoption, insufficient alignment of technology investments with service quality, and a need for more

proactive technology scanning to stay ahead of competitors. To address these gaps, the Technology and Innovation Department should accelerate its technology adoption processes to ensure quicker implementation of emerging technologies, reducing bureaucratic delays. Moreover, the Investment and Strategic Planning Division must ensure that all technology investments are directly linked to improving service delivery and customer satisfaction, by developing a framework that evaluates the impact of technology on operational outcomes. In addition, the Competitive Intelligence and Market Research Unit should intensify its focus on scanning emerging technologies and industry trends to proactively identify opportunities that can provide a competitive advantage. To further support these efforts, executive leadership should embed technological agility into the company's culture by aligning performance metrics, resource allocation, and strategic goals with technology adoption and innovation, ensuring that all departments are driven towards maximizing the potential of new technologies. Through these coordinated actions, Ethio Telecom can accelerate technology adoption, improve service quality, and stay ahead of competitors in a rapidly changing telecom industry.

- Based on the findings, Ethio Telecom demonstrates a moderately positive Learning Orientation, with stronger performance in applying knowledge than in acquiring or systematically disseminating it. Key limitations include a weak linkage with external knowledge acquisition, particularly with academic institutions, a lack of formal systems for cross-departmental knowledge sharing, and underutilization of customer feedback for service improvement. These gaps suggest that though Ethio Telecom values learning, its practices are not fully institutionalized or outward-looking. To address these issues, the Human Resource Development (HRD) Department, in collaboration with the Strategy and Business Development Department, should implement an integrated Learning Enhancement Framework involving strategic partnership with universities, research institutions, and industry think tanks to enhance external knowledge acquisition. Moreover, the Information Systems and Knowledge Management Division should develop a centralized digital platform to document, share, and disseminate best practices and lessons learned across departments, ensuring a more structured flow of knowledge. Furthermore, the Customer Experience and Quality Assurance Unit should implement a formal feedback integration mechanism, systematically analyzing customer insights to drive service innovations. Finally, Executive

leadership must reinforce a culture of continuous learning by aligning performance evaluations, resource allocations, and career advancement or promotion with learning contributions. Collectively, these coordinated initiatives will enhance both internal and external learning capabilities, addressing the identified limitations and transforming Ethio Telecom into a more adaptive, innovation-ready, and knowledge-driven organization.

- The findings of this study reveal that although Ethio Telecom demonstrates a strong Entrepreneurial Orientation especially in innovativeness, it faces notable limitations in risk-taking under uncertainty and in proactively seeking new market opportunities. These gaps suggest a cautious investment approach and limited external market exploration, which may hinder the organization's ability to sustain competitive advantage in a dynamic telecom sector. To address these challenges, it is recommended that the Strategy and Business Development Department, in collaboration with the Innovation and Product Development Unit, introduce an Entrepreneurial Empowerment Program to enhance strategic risk-taking, scenario planning, and lean investment capabilities among decision-makers. Moreover, establishing a cross-functional Opportunity Lab will allow the organization to test or pilot new ideas in controlled environments, reducing hesitation toward uncertainty-driven decisions. Simultaneously, the Marketing and Customer Insights Department should institutionalize market intelligence systems and competitor analysis tools to support proactive identification of emerging trends and customer needs, thereby informing strategic planning processes. To support these initiatives, executive leadership must introduce incentive mechanisms and resource autonomy for innovation teams, reducing bureaucratic barriers and fostering a more agile, risk-tolerant culture. Collectively, these coordinated efforts will address the observed limitations and reinforce Ethio Telecom's competitiveness in a dynamic telecom environment.
- Though the strategic orientation boosts performance, the government's stringent regulation reduces this effect by restraining market growth. To address this, Ethio Telecom must closely collaborate with key stakeholders such as the Ethiopian Communications Authority (ECA), the Ministry of Innovation and Technology, and its Regulatory Affairs Department to establish a Regulatory Dialogue and Strategic Alignment Platform. This website would enable collective policy-making through co-creation workshops, regulatory sandboxes, and regulatory impact assessments that promote innovation while maintaining oversight.

Moreover, Ethio Telecom should develop voluntary compliance, industry best practice codes, and self-regulation to enhance flexibility and responsiveness. Through this, regulatory barriers will be reduced, trust promoted, and Ethio Telecom will be able to maximize its strategic orientation towards enhanced organizational performance.

- Ethio Telecom, despite its strong financial standing particularly in revenue growth and profitability and promising non-financial outcomes, is currently limited by several critical performance gaps that could hinder future competitiveness. Most notably, Return on Investment (ROI) remains a weak point, raising concerns about the efficiency and impact of major technology and infrastructure investments. To address this, the Corporate Strategy and Investment Division, along with the Finance Directorate, must institutionalize rigorous pre- and post-investment audits or evaluation systems, using advanced ROI tracking tools, cost-benefit analysis, and scenario-based forecasting to enhance investment precision and accountability. On the non-financial face, the absence of a real-time, data-driven customer feedback system and inconsistent customer retention strategies are undermining service responsiveness and loyalty. The Customer Experience and Market Research departments must implement Customer Relationship or CRM-based models to predict and reduce customer attrition, and personalized loyalty programs to enhance retention and satisfaction. Furthermore, though employee engagement scores are generally positive, underlying issues related to career development, workplace conditions, and employee feedback mechanism still remain. The Human Resource and Organizational Development Department must address these through structured mentorship programs, clear promotion pathways, and improved physical and psychological work environments. These targeted, department-specific interventions are essential to close performance gaps and build a resilient, innovation-driven telecom enterprise capable of flourishing in a competitive and rapidly digitalizing environment.

5.5 Theoretical contribution and Practical Implication

5.5.1 Theoretical Implications

The findings contribute to strategic management theory in several ways. First, they validate the universal applicability of strategic orientation theory in the developing economy contexts, extending previous primarily conducted in developed markets. Second, the negative moderating role of government regulation reveals how institutional factors can weaken the impact of

strategic orientation on performance in state-owned enterprises. The study also makes an input to strategic orientation as a multiple-dimensional construct, demonstrating that diverse dimensions have varied ordered effects on performance. The ranks of effects (Market > Innovation > Entrepreneurial > Learning > Technology) provide empirical evidence for prioritization of strategic investments.

5.5.2 Practical Implications

The findings of this study present several actionable implications for management at Ethio Telecom and offer broader insights for policymakers responsible for the telecommunications sector in emerging economies. First and foremost, the massive influence of market orientation on organizational performance reflects the importance of continued investment in customer research, competitive intelligence, and adaptive service delivery technologies. Strengthening these factors will not only enhance responsiveness to market demands but also improve overall customer satisfaction and loyalty. Moreover, the significant contribution of innovation orientation to performance indicates a high necessity to build internal innovation competencies or capabilities. This can be realized through dedicated investments in research and development, smooth innovation processes, and accelerated speed-to-market strategies.

In contrast, learning orientation was also a potent predictor whose comparatively low mean score suggested untapped potential. This calls for a conscious effort to establish a healthy culture of learning in the organization by institutionalizing knowledge management systems, building communities of practice, and creating safe environments for failure analysis and reflection. Equally important is the Moderating role of government regulation, which was found to be suppressing the positive association between strategic orientation and organizational performance. Though regulatory compliance is still required, excessive dependence on strict compliance could potentially limit organizational flexibility and performance. To mitigate this, Ethio Telecom must focus on developing pragmatic and simplified compliance mechanisms that balance regulation with the imperative for strategic flexibility.

5.5.3 Policy Implications

The results have important implications for policymakers and regulating agencies in the telecommunications sector. Specifically, the negative moderating effect of government regulation on the relationship between strategic orientation and organizational performance suggests that prevailing regulatory frameworks while seemingly motivated by noble intentions risk undermining the full

achievement of strategic initiatives. This prompts a close inspection of prevailing regulatory frameworks to ensure that they are not inhibiting innovation, responsiveness, or improvement efforts. For telecommunication businesses like Ethio Telecom, a harmony of regulatory approaches with strategic flexibility is important to unlock their optimum organizational potential.

In this regard, policymakers are called upon to be more conducive to regulatory policy that facilitates rather than impedes strategic development. This can include simplifying the process of compliance in order to reduce bureaucratic delay, Adopting risk-based regulation that focuses on high-impact threats, and establishing regulatory sandboxes to facilitate controlled experimentation with emerging technologies and business models. These methods avoid necessary supervision and public accountability but provide organizations with freedom of operation to function in complex and rapidly changing market conditions

Lastly, there must be a balanced regulatory framework that protects public interest and sectoral stability while permitting strategic flexibility and continuous learning in an organization. By providing a facilitating policy climate in which regulatory requirements facilitate organizational responsiveness and innovativeness, policymakers can assist in enabling sustainable performance development across the sector and help contribute towards broader national development goals.

5.6 Limitations and Future Research Directions

Although this study offers meaningful contributions to the understanding of strategic orientation and its impact on organizational performance, several limitations warrant consideration. First, the use of a cross-sectional research design restricts the ability to draw definitive causal inferences. As a result, longitudinal studies are recommended to capture the dynamic evolution of strategic orientations and their performance implications over time. Second, while the in-depth focus on Ethio Telecom enhances the contextual richness of the findings, it also limits the generalizability of the results to other organizational or sectoral settings. Broader studies involving multiple firms or sectors would help validate and extend the applicability of these insights.

Building on the current findings, future research should explore several promising directions. Longitudinal designs could provide a more comprehensive understanding of how strategic orientations develop and influence performance in the long term. Comparative studies across different organizational contexts both within and beyond the telecommunications industry would help uncover how institutional and market conditions shape these relationships. Moreover, further investigation into potential moderating variables, such as organizational culture,

leadership style, or digital readiness, could shed light on factors that either enhance or constrain the effectiveness of strategic orientation. Moreover, there is a need to develop more detailed and multidimensional measures of regulation that can differentiate between enabling and restrictive forms of oversight, thus offering a more accurate picture of regulatory impact on organizational dynamics.

Despite its limitation, the research methodology of the study particularly its triangulated design integrating quantitative data, qualitative findings, and cross-references with existing literature enhances the strength of its evidence. It underlines the significance of strategic orientation dimensions while introducing the multifaceted role of institutional elements, specifically regulation, as drivers of organizational performance. These pieces of evidence offer a meaningful starting point for future research and provide practical guidance for improving business strategies as well as policy-making or design.

References

- Aaker, D. A., Kumar, V., & Day, G. S. (2010). Marketing research (10th ed.). Wiley.
- Adner, R., & Helfat, C. E. (2003). Corporate effects and the evolution of organizational capabilities. *Strategic Management Journal*, 24(10), 1013-1031.
- Ahlstrom, D. (2012). Innovation and growth: How business contributes to society. *Academy of Management Perspectives*, 26(4), 10–23. <https://doi.org/10.5465/amp.2012.0089>
- Ahmed, Y., & Tekle, S. (2023). Employee engagement and performance in East African telecom firms: An empirical investigation. *Journal of Human Resource and Organizational Development*, 12(2), 45–63.
- Ambrosini, V., & Bowman, C. (2009). What are dynamic capabilities and what are they not? *International Journal of Management Reviews*, 11(1), 29-49.
- Anderson, E. W., Fornell, C., & Lehmann, D. R. (1994). Customer satisfaction, market share, and profitability: Findings from Sweden. *Journal of Marketing*, 58(3), 53-66.
- Anwar, M., & Shah, S. Z. A. (2020). Entrepreneurial orientation and new venture performance in the emerging market: Moderating role of ties strength and environmental turbulence. *Journal of Innovation & Knowledge*, 5(3), 179–186. <https://doi.org/10.1016/j.jik.2019.08.002>
- Appiah-Adu, K., & Singh, S. (2010). Innovation and competitive advantage in an emerging economy: Empirical evidence from Ghana. *International Journal of Technology Management*, 52(1/2), 97–109. <https://doi.org/10.1504/IJTM.2010.033232>
- Argote, L., & Ingram, P. (2000). Knowledge transfer: A basis for competitive advantage in firms. *Organizational Behavior and Human Decision Processes*, 82(1), 150-169. <https://doi.org/10.1006/obhd.2000.2893>
- Ayimey, E. K., & Kwarteng, M. A. (2022). Market orientation and performance of service firms: Evidence from Ghana's telecom sector. *International Journal of Business and Social Science*, 13(2), 45–56. <https://doi.org/10.30845/ijbss.v13n2a5>
- Ayinaddis, S. G. (2023). The effect of innovation orientation on firm performance: Evidence from micro and small manufacturing firms in selected towns of Awi Zone, Ethiopia. *Journal of Innovation and Entrepreneurship*, 12(1), 1–19. <https://doi.org/10.1186/s13731-023-00290-3>
- Babbie, E. R. (2016). The practice of social research (14th ed.). Cengage Learning.
- Bagire, V. (2015). The impact of organizational culture on human resource management in Uganda. *International Journal of Business and Social Science*, 6(5), 107-121.
- Bahari, S. F. (2010). Qualitative versus quantitative research strategies: Contrasting epistemological and ontological assumptions. *Sains Humanika*, 52(1).

- 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>
- Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1), 99-120.
- Barney, J., Wright, M., & Ketchen, D. J., Jr. (2001). The resource-based view of the firm: Ten years after 1991. *Journal of Management*, 27(6), 625–641. <https://doi.org/10.1177/014920630102700601>
- Bekele, H., & Teshome, D. (2023). The role of strategic orientation in enhancing organizational performance: Evidence from Ethiopian service sector. UnPublished AAU Thesis
- Bharadwaj, A., El Sawy, O. A., Pavlou, P. A., & Venkatraman, N. (2013). Digital business strategy: Toward a next generation of insights. *MIS Quarterly*, 37(2), 471–482. <https://doi.org/10.25300/MISQ/2013/37:2.3>
- Bigsten, A., & Gebreeyesus, M. (2007). The small, the young, and the productive: determinants of Manufacturing firm growth in Ethiopia. *Economic Development and Cultural Change*, 55(4): 813-840.
- Boonjing, V., Chanvarasuth, P., & Lertwongsatien, C. (2017). Supply Chain Management Components and Firm Performance: Evidence from Thailand. *Advanced Science Letters*, 23(11), 10652-10655.
- Borodako, K., Berbeka, J., & Rudnicki, M. (2021). Technology used in knowledge management by global professional event services. *Journal of Global Information Management*, 29(2), 1–22. <https://doi.org/10.4018/JGIM.2021040101>
- Brahmana, R., & Kontesa, M. (2024). Divestiture strategy, CEO power, and firm performance: Evidence from Malaysia. *International Journal of Business and Society*, 25(1), 1–15. <https://doi.org/10.33736/ijbs.4567.2024>
- Bryman, A., & Bell, E. (2015). *Business research methods (4th ed.)*. Oxford University Press.
- Cadez, S., & Guilding, C. (2008). The impact of contingency factors on management control systems' design. *Accounting, Organizations and Society*, 33(2-3), 143-175.
- 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\(01\)00203-4](https://doi.org/10.1016/S0019-8501(01)00203-4)
- 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](https://doi.org/10.1016/S0019-8501(01)00203-6).
- Campbell, D. T., & Park, W. H. (2017). The Role of Strategic Orientations in Improving Firm Performance. *Journal of Business Research*, 78(3), 342-352.

- Charles, C. M., & Mertler, C. A. (2002). Introduction to educational research (4th ed.). Allyn & Bacon.
- Chavhan, Y., Mahajan, R., & Bhujbal, S. (2022). Market orientation, performance and the Moderating role of innovation in Indian SMEs. *Asia Pacific Journal of Marketing and Logistics*, 34(10), 2314-2330. <https://doi.org/10.1108/APJML-08-2021-0624>
- Chen, C. J., & Huang, J. W. (2008). Strategic human resource practices and innovation performance-The Moderating role of knowledge management capacity. *Journal of Business Research*, 62(1), 104-114. <https://doi.org/10.1016/j.jbusres.2007.11.016>
- Chen, I. J., Paulraj, A., & Lado, A. A. (2004). Strategic purchasing, supply management and firm performance. *Journal of Operations Management*, 22(6), 555-575.
- Chenhall, R. H. (2003). Management control systems design within its organizational context: Findings from contingency-based research and directions for the future. *Accounting, Organizations and Society*, 28(2-3), 127-168.
- Chesbrough, H. (2003). The era of open innovation. *MIT Sloan Management Review*, 44(3), 35-41.
- Child, J. (1972). Organization structure, environment and performance: The Role of strategic choice. *Sociology*, 6(1), 1-22. <https://doi.org/10.1177/003803857200600101>
- Choudhury, R., Patel, A., & Singh, N. (2023). Data-driven customer retention in competitive telecom markets: Strategies and outcomes. *International Journal of Marketing and Management*, 18(1), 22-39.
- Christensen, C. M. (1997). The innovator's dilemma: When new technologies cause great firms to fail. Harvard Business School Press.
- Cook, T. D., & Reichardt, C. S. (Eds.). (1979). Qualitative and quantitative methods in evaluation research. Sage Publications.
- Cooper, D. R., & Schindler, P. S. (2003). Business research methods (8th ed.). McGraw-Hill.
- Covin, J. G., & Slevin, D. P. (1989). Strategic Management of Small Firms in Hostile and Benign Environments. *Strategic Management Journal*, 10(1), 75-87. <https://doi.org/10.1002/smj.4250100107>
- Creswell, J. W. (2006). Research design: Qualitative, Quantitative, and Mixed Methods Approach (2nd ed.). SAGE Publications.
- Daft, R. L., & Lengel, R. H. (2016). Organizational information requirements, media richness and structural design. *Management Science*, 32(5), 554-571. <https://doi.org/10.1287/mnsc.32.5.554>
- Dangelico, R. M., Pujari, D., & Pontrandolfo, P. (2021). Green product innovation in manufacturing firms: A sustainability-oriented dynamic capability perspective. *Business Strategy and the Environment*, 30(4), 2061-2076. <https://doi.org/10.1002/bse.2733>

- Das, T. K., & Teng, B. S. (2000). A resource-based theory of strategic alliances. *Journal of Management*, 26(1), 31-61.
- Dattalo, P. (2008). Determining sample size: Balancing power, precision, and practicality. Oxford University Press.
- Day, G. S. (1994). The capabilities of market-driven organizations. *Journal of Marketing*, 58(4), 37–52. <https://doi.org/10.1177/002224299405800404>
- Day, G. S. (1994). The Capabilities of Market-Driven organizations. *Journal of Marketing*, 58(4), 37-52. <https://doi.org/10.1177/002224299405800404>
- De Luca, L. M., & Atuahene-Gima, K. (2007). Market knowledge dimensions and cross-functional collaboration: Examining the different routes to product innovation performance. *Journal of Marketing*, 71(1), 95–112. <https://doi.org/10.1509/jmkg.71.1.095>
- Denscombe, M. (2010). The Good Research Guide: For small-scale social research projects (4th ed.). Open University Press.
- DiMaggio, P. J., & Powell, W. W. (1983). The iron cage revisited: Institutional isomorphism and collective rationality in organizational fields. *American Sociological Review*, 48(2), 147-160. <https://doi.org/10.2307/2095101>
- Distanont, A., & Khongmalai, O. (2020). The role of innovation in building competitive advantages: A case study of Thai SMEs. *Journal of Open Innovation: Technology, Market, and Complexity*, 6(3), 82. <https://doi.org/10.3390/joitmc6030082>
- Donaldson, L. (2001). *The Contingency Theory of Organizations*. Sage.
- Douma, S., & Schreuder, H. (2013). *Economic Approaches to Organizations*. Pearson Education.
- Easterby-Smith, M., Thorpe, R., & Jackson, P. R. (2015). *Management and business research* (5th ed.). Sage Publications.
- 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](https://doi.org/10.1002/1097-0266(200010/11)21:10/11)
- Eriksson, T. (2014). The Role of Dynamic Capabilities in Organizational Adaptation: A Study of Market-driven Change. *Journal of Organizational Behavior*, 35(1), 70-89.
- Ethio Telecom. (2023). Annual Report on Network Expansion and Service Diversification.
- Ethiopian Government. (2023). Telecommunications Sector Reform Policy.
- Ethiopian Ministry of Finance. (2020). Telecommunications Liberalization Strategy and Privatization Plans.
- Farashahi, M., & Tajeddin, M. (2018). Learning orientation and competitive advantage: A critical synthesis and future directions. *Management Research Review*, 41(1), 113–132. <https://doi.org/10.1108/MRR-01-2017-0011>

- Fiedler, F. E. (1978). The Contingency Model and the Dynamics of the Leadership Process. In L. Berkowitz (Ed.), *Advances in experimental social psychology* (Vol. 11, pp. 59–112). Academic Press. [https://doi.org/10.1016/S0065-2601\(08\)60005-2](https://doi.org/10.1016/S0065-2601(08)60005-2)
- Field, A. (2009). *Discovering statistics using SPSS* (3rd ed.). Sage Publications.
- Fisher, J. G. (1995). Contingency theory and accounting research. *Accounting, Organizations and Society*, 20(4), 373-409.
- Foss, N. J., & Knudsen, C. (2003). The resource-based view: A critical appraisal. *Journal of Management*, 29(6), 181-199.
- Furlong, M. J., Morrison, G. M., & Jimerson, S. R. (2000). Handbook of school violence and school safety: From research to practice. *Journal of School Psychology*, 38(2), 157–158.
- Gacheru, J., & Onyango, S. (2015). Regulatory environment and firm performance in the telecommunications sector. *International Journal of Business and Economics*, 9(4), 201-216.
- Garoma, F.B. (2012). Determinants of Micro enterprise success in the urban informal sector of Addis Ababa: A multidimensional Analysis. Doctoral Dissertation, University of South Africa, UNSA.
- Gatignon, H., & Xuereb, J. M. (1997). Strategic orientation of the firm and new product performance. *Journal of Marketing Research*, 34(1), 77-90. <https://doi.org/10.2307/3151910>
- Gatignon, H., & Xuereb, J. M. (1997). Strategic orientation of the firm and new product performance. *Journal of Marketing Research*, 34(1), 77–90. <https://doi.org/10.1177/002224379703400107>
- Ghauri, P. N. (2011). *International business research*. Palgrave Macmillan.
- Girma, M., & Fikadu, T. (2023). Customer Satisfaction Strategies in Sub-Saharan Africa's Telecom Sector. *African Journal of Business Research*, 15(3), 101–118.
- Gold, A. H., Malhotra, A., & Segars, A. H. (2001). Knowledge Management: An organizational Capabilities Perspective. *Journal of Management Information Systems*, 18(1), 185-214. <https://doi.org/10.1080/07421222.2001.11045669>
- Govindarajan, V. (2000). A contingency approach to strategy implementation at the business-unit level: Integrating administrative mechanisms with strategy. *Academy of Management Journal*, 31(4), 828–853. <https://doi.org/10.5465/256341>
- Grawe, S.J., Chen, H. and Daugherty, P.J. (2009). The Relationship between strategic orientation, service innovation, and performance. *International Journal of Physical Distribution & Logistics Management*, 39, 282-300. <http://dx.doi.org/10.1108/09600030910962249>
- Gupta, A. (2015). Entrepreneurial orientation and firm performance: A study of Indian SMEs. *Journal of Business Research*, 68(4), 712-723. <https://doi.org/10.1016/j.jbusres.2014.11.038>
- Gupta, R. (2009). Contingency theory and its application to leadership and organizational effectiveness. *Journal of Management and Strategy*, 3(4), 35-44.

- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). *Multivariate data analysis* (7th ed.). Pearson Education.
- Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2017). A primer on partial least squares structural equation modeling (PLS-SEM) (2nd ed.). Sage Publications.
- Hakala, H. (2011). Strategic orientations and firm performance: The Role of Market, Learning, and Entrepreneurial Orientations. *International Journal of Entrepreneurial Behaviour & Research*, 17(1), 5-22.
- Harter, J. K., Schmidt, F. L., & Hayes, T. L. (2002). Business-unit-level relationship between employee satisfaction, employee engagement, and business outcomes: A meta-analysis. *Journal of Applied Psychology*, 87(2), 268-279.
- Helfat, C. E., & Peteraf, M. A. (2009). Understanding dynamic capabilities: Progress along a developmental path. *Strategic Organization*, 7(1), 91-102.
- Helfat, C. E., Finkelstein, S., Mitchell, W., Peteraf, M. A., Singh, H., Teece, D. J., & Winter, S. G. (2007). *Dynamic capabilities: understanding strategic change in organizations*. Wiley-Blackwell.
- Hernaus, T., Bach, M. P., & Vuksic, V. B. (2012). Influence of strategic approach to BPM on financial and non-financial performance. *Baltic Journal of Management*, 7(4), 376–396.
<https://doi.org/10.1108/17465261211272148>
- Hughes, M., & Morgan, R. E. (2007). Deconstructing the relationship between entrepreneurial orientation and business performance at the embryonic stage of firm growth. *Industrial Marketing Management*, 36(5), 651–661. <https://doi.org/10.1016/j.indmarman.2006.04.003>
- Hult, G. T. M., Hurley, R. F., & Knight, G. A. (2003). Innovativeness: Its antecedents and impact on business performance. *Industrial Marketing Management*, 33(5), 429-438.
<https://doi.org/10.1016/j.indmarman.2003.08.016>
- Hult, G. T. M., Ketchen, D. J., & Slater, S. F. (2004). Market orientation and performance: An integration of disparate approaches. *Strategic Management Journal*, 26(12), 1173–1181.
<https://doi.org/10.1002/smj.494>
- Hult, G. T. M., Ketchen, D. J., & Slater, S. F. (2005). Market orientation and performance: An integration of disparate approaches. *Strategic Management Journal*, 26(12), 1173–1181.
<https://doi.org/10.1002/smj.494>
- Hult, G. T. M., Snow, C. C., & Kandemir, D. (2003). The role of entrepreneurship in building cultural competitiveness in different organizational types. *Journal of Management*, 29(3), 401–426.
[https://doi.org/10.1016/S0149-2063\(03\)00017-5](https://doi.org/10.1016/S0149-2063(03)00017-5)

- 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>
- 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/10.1177/002224299806200304>
- Ibrahim, M. (2012). The role of organizational culture in knowledge management in small and medium enterprises. *International Journal of Business and Social Science*, 3(1), 1–6.
- Jaworski, B. J. (2010). Market-driven strategy: Processes for creating value. *Journal of the Academy of Marketing Science*, 28(1), 45–54. <https://doi.org/10.1177/0092070300281005>
- Jaworski, B. J., & Kohli, A. K. (1993). Market orientation: Antecedents and consequences. *Journal of Marketing*, 57(3), 53–70. <https://doi.org/10.1177/002224299305700304>
- Kahn, K. B. (2001). Market orientation, interdepartmental integration, and product development performance. *Journal of Product Innovation Management*, 18(5), 314–323. <https://doi.org/10.1111/1540-5885.1850314>.
- Kahsay, G. (2020). The challenges of market liberalization in Ethiopia's telecommunications industry: The case of Ethio Telecom. *Journal of African Business*, 21(3), 245–267.
- Kamoche, K., Siebers, L. Q., Mamman, A., & Newenham-Kahindi, A. (2015). The dynamics of managing people in the diverse cultural and institutional context of Africa. *Personnel Review*, 44(3), 330–345. <https://doi.org/10.1108/PR-07-2013-0124>
- Kaplan, R. S., & Norton, D. P. (2004). Strategy maps: Converting intangible assets into tangible outcomes. Harvard Business School Press.
- Kassahun, A. (2021). Ethiopia's Economic Reforms and the Impact on the Telecommunications Sector: A New Era of Competition. Addis Ababa University Press.
- Khan, M. A., Salamzadeh, A., & Shah, S. Z. A. (2023). Strategic orientation and firm performance: The Moderating role of innovation. *Journal of Strategy and Management*, 16(2), 245–263. <https://doi.org/10.1108/JSMA-05-2022-0123>
- Khan, M. T., Khan, N. A., & Khan, M. A. (2022). Impact of organizational culture on employee performance: A study of higher education institutions. *Journal of Business and Social Review in Emerging Economies*, 8(1), 1–10. <https://doi.org/10.26710/jbsee.v8i1.1836>
- Khavul, S., Bruton, G. D., & Wood, E. (2010). Informal family business in Africa. *International Business Review*, 19(6), 572–586. <https://doi.org/10.1016/j.ibusrev.2010.03.002>
- Kim, W. C., & Mauborgne, R. (2023). Bridging the strategy-execution gap through feedback-driven innovation. *Strategic Management Review*, 20(4), 55–70.

- Kirca, A. H., Jayachandran, S., & Bearden, W. O. (2005). Market orientation: A meta-analytic review and assessment of its antecedents and impact on performance. *Journal of Marketing*, 69(2), 24–41. <https://doi.org/10.1509/jmkg.69.2.24.60761>
- Kohli, A. K., & Jaworski, B. J. (1990). Market orientation: The construct, research propositions, and managerial implications. *Journal of Marketing*, 54(2), 1-18. <https://doi.org/10.1177/002224299005400201>
- Kothari, C. R. (2016). *Research Methodology: Methods and Techniques* (3rd ed.). New Age International Publishers.
- Kraus, S., Rigtering, J. C., Hughes, M., & Hosman, V. (2012). Entrepreneurial orientation and the business performance of SMEs: a quantitative study from the Netherlands. *Review of Managerial Science*, 6(2), 161–182.
- Krosnick, J. A. (2018). Questionnaire design. In *The Palgrave handbook of survey research* (pp. 439–455). Palgrave Macmillan.
- Kumar, K., Boesso, G., Favotto, F. and Menini, A. (2012). Strategic Orientation, Innovation
- La Porta, R., Lopez-de-Silanes, F., Shleifer, A., & Vishny, R. W. (1999). The quality of government. *Journal of Law, Economics, and Organization*, 15(1), 222-279.
- Leary, M. R. (1995). *Self-presentation: Impression management and interpersonal behavior*. Brown & Benchmark Publishers.
- Lee, H., & Park, J. (2022). Customer analytics and loyalty in the telecom industry: A South Korean perspective. *Journal of Consumer Insights*, 10(1), 74–89.
- Li, Y., Liu, Y., & Liu, H. (2021). Dynamic capabilities, environmental dynamism, and competitive advantage: Evidence from China. *Journal of Business Research*, 124, 1–12. <https://doi.org/10.1016/j.jbusres.2020.11.045>
- Liao, S. H., Chang, W. L., & Chen, C. C. (2011). The influence of market orientation on organizational performance: The case of China's retail industry. *International Journal of Retail & Distribution Management*, 39(6), 411-428. <https://doi.org/10.1108/09590551111137251>
- Liao, S.-H., Chang, W.-J., & Wu, C.-C. (2022). Completing the market orientation matrix: The impact of proactive competitor orientation on innovation and firm performance. *Industrial Marketing Management*, 103, 198–214. <https://doi.org/10.1016/j.indmarman.2022.03.013>
- López, C., Montes, F. J. L., & Vázquez, C. J. (2005). The strategic orientation of the firm and its relationship with innovation and performance. *Industrial Marketing Management*, 34(5), 497-509. <https://doi.org/10.1016/j.indmarman.2004.06.003>
- 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.

<https://doi.org/10.5465/amr.1996.9602161568>

- M'mboga, E. N., & Muturi, W. (2023). Strategic orientation and performance of small and medium enterprises in Kenya. *International Journal of Business and Social Science*, 14(2), 112–123. <https://doi.org/10.30845/ijbss.v14n2p13>
- Mahmoud, M. A., Blankson, C., Owusu-Frimpong, N., Nwankwo, S., & Trang, T. P. (2020). Market orientation and performance of small and medium enterprises in Ghana: The Moderating role of innovation. *International Journal of Business and Emerging Markets*, 12(3), 213–231. <https://doi.org/10.1504/IJBEM.2020.108123>
- McPherson, M. A. (1996). Growth of micro and small enterprise in Southern Africa. *Journal of*
- Mekonnen, G., & Jara, J. (2020). The liberalization of Ethiopia's telecommunications market: Implications for competition and economic growth. *Journal of African Economic Development*, 21(3), 112-130. <https://doi.org/10.1016/j.afed.2020.01.003>
- Mengistu, A., & Alemu, K. (2023). Market orientation and organizational success: Empirical insights from Ethiopian enterprises.
- Mensah, K., Osei, D., & Boateng, F. (2022). Work environment and employee satisfaction in African service organizations. *International Journal of Human Capital*, 9(2), 34–50.
- Meyer, K. E., Estrin, S., Bhaumik, S. K., & Peng, M. W. (2010). Institutions, resources, and entry strategies in emerging economies. *Strategic Management Journal*, 31(1), 61-80. <https://doi.org/10.1002/smj.808>
- Mikalef, P., Krogstie, J., Pappas, I. O., & Giannakos, M. (2019). Investigating the effects of big data analytics capabilities on firm performance: The Moderating role of dynamic capabilities. *Information & Management*, 56(8), 103207. <https://doi.org/10.1016/j.im.2019.05.003>
- Miller, D. (2020). Reflections on EO research and some suggestions for the future. *Entrepreneurship Theory and Practice*, 44(6), 1147–1168. <https://doi.org/10.1177/1042258719900776>
- Mitra, R., et al. (2011). Challenges of implementing Western HR practices in emerging markets: A case study in India. *Asia Pacific Journal of Human Resources*, 49(3), 289-309.
- Mokhtar, M., et al. (2014). *The impact of strategic orientation on firm performance in competitive sectors*. *Journal of Business and Management*, 19(3), 232-245.
- Morrar, R., Arman, H., & Mousa, S. (2022). The fourth industrial revolution (Industry 4.0): A social innovation perspective. *Technology Innovation Management Review*, 12(1), 11–20. <https://doi.org/10.22215/timreview/1476>
- Mu, J., & Di Benedetto, C. A. (2011). Strategic orientations and new product commercialization: Moderator, moderator, and interplay. *R&D Management*, 41(4), 337–359. <https://doi.org/10.1111/j.1467-9310.2011.00650.x>

- Mudogo, J. (2019). *Strategic responses to new entrants in telecom markets*. Unpublished Master's Thesis, Addis Ababa University
- Mugenda, O. M., & Mugenda, A. G. (2008). *Research Methods: Quantitative and Qualitative Approaches*. African Centre for Technology Studies.
- Murillo-Oviedo, A. B., Pimenta, M. L., Hilletofth, P., & Reitsma, E. (2020). Achieving market orientation through cross-functional integration. *Operations and Supply Chain Management: An International Journal*, 13(4), 421–430.
- Nakabuye, Z., Munene, J. C., & Ntayi, J. M. (2023). Strategic orientation and organizational performance in Uganda's manufacturing sector. *African Journal of Economic and Management Studies*, 14(1), 45–60. <https://doi.org/10.1108/AJEMS-05-2022-0201>
- Nakola, P. E., et al. (2015). Strategic orientations and competitive advantage: A case study in the manufacturing industry. *Journal of Strategic and International Studies*, 9(2), 25-38.
- Nanni, A. J., R. Dixon and T. E. Vollmann (1992). Integrated performance measurement: management accounting to support the new manufacturing realities. *Journal of Management Accounting Research* 4 (Fall): 1-19.
- 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>
- Ndesaulwa, E., & Kikula, L. (2016). The effect of innovation orientation on organizational performance. *African Journal of Business*, 14(2), 113-125.
- Nguyen, T. T. H., Ngo, L. V., & Ruël, H. (2023). The role of market orientation in driving innovation and firm performance: Evidence from emerging markets. *Journal of Business Research*, 160, 113789. <https://doi.org/10.1016/j.jbusres.2023.113789>
- Nnko, E., & John, M. (2022). Strategic orientation and firm performance: Evidence from Tanzanian manufacturing firms. *African Journal of Economic and Management Studies*, 13(3), 345–360. <https://doi.org/10.1108/AJEMS-11-2021-0456>
- Nonaka, I., & Takeuchi, H. (1995). *The knowledge-creating company: How Japanese companies create the dynamics of innovation*. Oxford University Press.
- North, D. C. (1990). *Institutions, institutional change, and economic performance*. Cambridge University Press.
- Nunnally, J. C., & Bernstein, I. H. (1994). *Psychometric theory* (3rd ed.). McGraw-Hill.
- Obeidat, B. Y. (2016). The effect of strategic orientation on organizational performance: The Moderatingrole of innovation. *International Journal of Communications, Network and System Sciences*, 9(11), 478–505. <https://doi.org/10.4236/ijcns.2016.911039>

- Okpara, J. O., & Wynn, P. (2008). Human resource management practices in a transitional economy: The case of Nigeria. *International Journal of Human Resource Management*, 19(9), 1731-1747.
- Olson E, Slater S, Hult GTM. (2005). The performance implications of fit among business
- Onyema, E. (2014). Talent management in Africa: The key to improving organizational performance. *African Journal of Business Management*, 8(21), 1006-1013.
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (2022). Revisiting SERVQUAL: The role of feedback systems in modern service quality. *Journal of Service Research*, 25(1), 10–28.
- Peteraf, M. A., & Bergen, M. E. (2003). Scanning dynamic competitive landscapes: A market-based and resource-based framework. *Strategic Management Journal*, 24(10), 1011-1024.
- Peteraf, M. A., Di Stefano, G., & Verona, G. (2013). The elephant in the room: A critical assessment of the resource-based view. *Academy of Management Perspectives*, 27(2), 1-21.
- Porter, M. E. (1985). *Competitive Advantage: Creating and Sustaining Superior Performance*. Free Press.
- Rauch, A., Wiklund, J., Lumpkin, G. T., & Frese, M. (2009). Entrepreneurial orientation and business performance: An analysis of the impact of entrepreneurial orientation on the performance of small-and medium-sized businesses. *Journal of Business Venturing*, 24(5), 492-504. <https://doi.org/10.1016/j.jbusvent.2009.01.002>
- Reid, M., & Smith, J. (2000). Organizational design: An analysis of contextual variables. *Journal of Organizational Behavior*, 21(4), 489-514.
- 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. <https://doi.org/10.1177/0149206308330560>
- Rodrik, D. (2008). *One economics, many recipes: Globalization, institutions, and economic growth*. Princeton University Press.
- Rogers, E. M. (1962). *Diffusion of innovations* (1st ed.). Free Press.
- Singh, S. K., Del Giudice, M., Chierici, R., & Graziano, D. (2021). Green innovation and environmental performance: The role of green transformational leadership and green human resource management. *Technological Forecasting and Social Change*, 162, 120388. <https://doi.org/10.1016/j.techfore.2020.120388>
- Sinkula, J. M., Baker, W. E., & Noordewier, T. (1997). A framework for market-based organizational learning: Linking values, knowledge, and behavior. *Journal of the Academy of Marketing Science*, 25(4), 303-319. <https://doi.org/10.1007/BF02894329>
- Sinkula, J. M., Baker, W. E., & Noordewier, T. G. (1997). A Model of market orientation implementation. *Journal of Marketing*, 61(3), 45-60. <https://doi.org/10.1177/002224299706100304>

- Slater, S. F., & Narver, J. C. (1995). Market orientation and the learning organization. *Journal of Marketing*, 59(3), 63-74. <https://doi.org/10.1177/002224299505900305>
- Slater, S. F., Narver, J. C., & MacLachlan, D. L. (2006). The effect of market orientation on business performance: A review of the literature. *Journal of Strategic Marketing*, 14(4), 193-218. <https://doi.org/10.1080/09652540600822435>
- Soares, A. M., & Perin, M. G. (2020). Entrepreneurial orientation and firm performance: An updated meta-analysis. *Journal of Small Business Management*, 58(4), 637–661. <https://doi.org/10.1080/00472778.2019.1659671>
- Song, M., Droge, C., & Hanvanich, S. (2005). Marketing and technology resources and the development of new products. *Journal of Marketing*, 69(4), 42-56. <https://doi.org/10.1509/jmkg.69.4.42.58825>
- Tabachnick, B. G., & Fidell, L. S. (2013). Using multivariate statistics (6th ed.). Pearson Education.
- Tadesse, M. (2022). Regulatory environment and challenges for foreign investors: The case of Safaricom Ethiopia. *International Journal of Telecommunications Policy*, 46(2), 213-230. <https://doi.org/10.1080/01436597.2021.1997487>
- Teece, D. J. (2007). Explicating dynamic capabilities: The nature and microfoundations of (sustainable) enterprise performance. *Strategic Management Journal*, 28(13), 1319-1350.
- Teece, D. J. (2009). Dynamic capabilities and strategic management: Organizing for innovation and growth. *Oxford University Press*.
- Teece, D. J. (2018). Business models and dynamic capabilities. *Long Range Planning*, 51(1), 40–49. <https://doi.org/10.1016/j.lrp.2017.06.007>
- 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<509](https://doi.org/10.1002/(SICI)1097-0266(199708)18:7<509)
- Tushman, M. L., & Anderson, P. (1986). Technological discontinuities and organizational environments. *Administrative Science Quarterly*, 31(3), 439-465. <https://doi.org/10.2307/2392984>
- Valos, M.J. and Bednall, D.H. (2010). The Alignment of Market Research with Business value-based management perspective.” *Journal of Accounting and Economics* 32: 349-
- Vega Martínez, A., & Rodríguez Escudero, A. I. (2020). The role of market orientation and innovation in the performance of Spanish SMEs. *European Journal of Innovation Management*, 23(4), 646–667. <https://doi.org/10.1108/EJIM-03-2019-0074>
- Venkatraman, N., & Ramanujam, V. (1986). Measurement of business performance in strategy research: A comparison of approaches. *Academy of Management Review*, 11(4), 801-814.
- Vos, B., & Schiele, H. (2014). Strategic sourcing and supply chain management: An integrated framework. *International Journal of Procurement Management*, 7(1), 1-13.

- Voudouris, I., Lioukas, S., Iatrelli, M., & Caloghirou, Y. (2012). Effectiveness of technology investment: Impact of internal technological capability, networking and investment's strategic importance. *Technovation*, 32(6), 400–414. <https://doi.org/10.1016/j.technovation.2012.02.002>
- Wales, W. J., Gupta, V. K., & Mousa, F.-T. (2021). Entrepreneurial orientation: A review and synthesis of promising research directions. *The International Journal of Management Reviews*, 23(3), 301–328. <https://doi.org/10.1111/ijmr.12211>
- Wamba, S. F., Gunasekaran, A., Dubey, R., & Ngai, E. W. T. (2020). Big data analytics and firm performance: Effects of dynamic capabilities. *Journal of Business Research*, 131, 91–101. <https://doi.org/10.1016/j.jbusres.2021.03.055>
- Wang, C. L., & Ahmed, P. K. (2004). The development and validation of the organizational learning orientation scale. *Journal of Management Studies*, 41(4), 1359–1386. <https://doi.org/10.1111/j.1467-6486.2004.00482.x>
- Wang, C. L., & Ahmed, P. K. (2007). Dynamic capabilities: A review and research agenda. *International Journal of Management Reviews*, 9(1), 31–51.
- Wang, Y., Kung, L., & Byrd, T. A. (2021). Big data analytics: Understanding its capabilities and potential benefits for healthcare organizations. *Technological Forecasting and Social Change*, 126, 3–13. <https://doi.org/10.1016/j.techfore.2020.120052>
- Webster, J., & Wood, C. (2005). Human resources in Africa: Challenges and opportunities. *Journal of African Business*, 6(2), 71–91.
- Winter, S. (2003). Understanding dynamic capabilities. *Strategic Management Journal*, 24(10), 991–995.
- Wolde, M., & Kebede, S. (2024). Innovation orientation and performance in telecom: A study on Ethio Telecom.
- Woods, P. (2009). Organizational structure and contingency theory: Implications for management. *International Journal of Management*, 26(6), 301–315
- Yamane, T. (1967). *Statistics: An Introductory Analysis* (2nd ed.). Harper & Row
- Zahra, S. A., & Nielsen, A. P. (2002). The changing of the guard: Technology commercialization in the 21st century. *Strategic Management Journal*, 23(9), 885–906.
- Zhou, K. Z., & Li, C. B. (2010). How knowledge affects radical innovation: Knowledge base, market knowledge acquisition, and internal knowledge sharing. *Journal of Marketing*, 74(6), 88–104. <https://doi.org/10.1509/jmkg.74.6.88>
- Zhou, K. Z., & Li, C. B. (2010). How strategic orientations influence the building of dynamic capability in emerging economies. *Journal of Business Research*, 63(3), 224–231. <https://doi.org/10.1016/j.jbusres.2009.03.003>

- Zhou, K. Z., & Li, C. B. (2010). How strategic orientations influence the building of dynamic capability in emerging economies. *Journal of Business Research*, 63(3), 224–231.
- Zhou, K.Z., Yim, C.K.B. and Tse, D.K. (2005). The Effects of strategic orientations on technology and market-based breakthrough innovations. *Journal of Marketing*, 69, 42-60.
<http://dx.doi.org/10.1509/jmkg.69.2.42.60756>

Annexes

Annex 1. Questionnaire

Addis Ababa University
Faculty of Business and Economics
Post Graduate

**A Questionnaire on Strategic Orientation on Organizational Performance: Moderating Effect of
Government Regulation (the Case of Ethio Telecom)**

Dear Respondents,

I am a Master's student in Business Administration at the Faculty of Business and Economics, Addis Ababa University. The purpose of this survey is to analyze the Strategic Organization on Organizational Performance using Government Regulation as a Moderator in Ethio Telecom. This questionnaire is designed to collect first-hand information that will be used in my research. The research output has a potential to provide an input in solving strategic management Problems related to marketing, innovation, technology, learning and entrepreneurial orientation in telecommunication industry. The objective of the research cannot be realized without your support. Therefore, I kindly request you to consider the aim and importance of this research, answer the question honestly and return to the data collector. If agree to take part in this survey please take your time and complete the questions. It will take you about 20 minutes to complete the questionnaire. I guarantee you that your personal opinion will not be passed on to third party in a way that exposes your personal identity.

Thank you for your cooperation!

Belete Ejigu

Instruction: Please assist me by answering all questions by putting a “√” mark on your choice. You do not need to write your name.

Section1: Demographic Information

1. Gender: ☐ Male ☐ Female
2. Age (in year): ☐ 20-30 ☐ 31-40 ☐ 41-50 ☐ 51-60 ☐ More than 60
3. Level of Education: ☐ Primary (1-8) ☐ High School (9-12) ☐ Diploma/Level ☐ Degree ☐ Masters ☐ PhD
4. Job Position: ☐ Chief ☐ Director ☐ Managers ☐ Supervisor
5. Year of experience in the current job position: ☐ Less than 1 year ☐ 1-5 years ☐ 6-10 years ☐ More than 10 years

Section 2: Strategic Orientation, Government Regulation and Organizational Performance

Please indicate your level of agreement with each statement regarding strategic orientation (marketing, innovation, technology, learning and entrepreneurial orientations), government regulation and organizational performance in Ethio Telecom using the scale given as a guide:

1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5=Strongly Agree

1. Market Orientation	SD	D	N	A	SA
1.1. Customer Orientation	1	2	3	4	5
1. Ethio Telecom regularly collects feedback from customers to understand their needs.					
2. We prioritize meeting the needs and expectations of our customers in all aspects of our services.					
3. Customer satisfaction is a key driver of our decision-making process.					
4. Our company's policies and strategies are designed to deliver superior customer value.					
5. We regularly conduct surveys to gather insights about customer preferences.					
1.2. Competitor Orientation	1	2	3	4	5
1. Ethio Telecom continuously monitors competitors' activities and strategies in the telecom industry.					
2. We analyze competitors' strengths and weaknesses to identify areas of opportunity.					
3. Understanding competitor strategies is crucial for shaping our business plans.					
4. Our company keeps track of competitor offerings and adjusts its strategies accordingly.					
1.3. Inter-functional Coordination	1	2	3	4	5
1. All departments in our company work together to achieve common goals related to market performance.					
2. There is strong communication and collaboration between different teams at Ethio Telecom to meet customer needs.					
3. Our company effectively coordinates the efforts of marketing, sales, product development, and customer service teams.					
4. Our company established mechanisms for sharing market insights and intelligence across functions.					
5. Our company ensures that all employees are aligned in delivering value to customers.					
2. Innovation Orientation					
2.1. Product/Service Innovation	1	2	3	4	5
1. Product or service innovation is a key component of Ethio Telecom's overall business strategy.					
2. Ethio Telecom invests heavily in research and development to create innovative telecom products/services.					
3. Ethio Telecom actively seeks customer feedback when designing new products or services.					
4. Ethio Telecom frequently tests new product/service ideas in the market before full deployment.					
5. Ethio Telecom encourages employees to suggest minor improvements or incremental innovations					

to existing products or services.					
2.2. Market Innovation	1	2	3	4	5
1. Market innovation is a key driver of our company's growth strategy.					
2. Ethio Telecom actively seeks new market opportunities to expand its reach.					
3. We frequently launch new market initiatives to capture untapped customer segments.					
Our company is proactive in identifying and exploring emerging market trends.					
4. We continuously adjust our market strategies to align with changing customer needs and preferences					
2.3. Innovation Culture	1	2	3	4	5
1. Innovation is deeply embedded in our organizational culture.					
2. Employees are encouraged to propose and implement new ideas and innovations.					
3. Our company supports a culture of experimentation, even when there is a risk of failure.					
4. Our company reward and recognize employees who contribute to innovative ideas and solutions.					
5. Our company regularly conducts workshops or training to promote a culture of innovation.					
3. Technology Orientation					
3.1. Technology Adoption	1	2	3	4	5
1. Our organization places a high priority on adopting new technologies to stay competitive.					
2. Technological advancements play a significant role in shaping our company's strategic decisions.					
3. We actively invest in emerging technologies to enhance business operations and innovation.					
4. Our company quickly adopts new technologies once they become available.					
3.2. Technology Investment	1	2	3	4	5
1. We prioritize investments in new technologies to enhance the quality of service delivery.					
2. We consistently invest in upgrading our technology infrastructure.					
3. The company is committed to investing in research and development to enhance technology capabilities.					
3.3. Technology Pro-activeness	1	2	3	4	5
1. Ethio Telecom actively seeks out emerging technologies to stay ahead of competitors.					
2. We are proactive in identifying and adopting technologies that improve customer experience.					

3, Ethio Telecom is always ready to invest in new technologies that improve operational performance.					
4. Learning Orientation					
4.1. Knowledge Acquisition	1	2	3	4	5
1. Ethio Telecom invests in research to better understand customer needs and market trends.					
2. Our company regularly monitors new developments in telecom technology to stay competitive.					
3. We have established strong relationships with academic institutions or research bodies for knowledge acquisition					
4. We encourage employees to attend workshops and training programs to enhance their skills.					
4.2. Knowledge Dissemination	1	2	3	4	5
1. Our company has systems in place for sharing knowledge across different departments.					
2. Employees are encouraged to share best practices and insights with their colleagues.					
3. We have formal channels for disseminating new information and knowledge throughout the organization.					
4.3. Knowledge Use/Application	1	2	3	4	5
1. Our company effectively applies newly acquired knowledge to improve business processes.					
2. Knowledge gained from external sources is systematically applied to product and service innovations.					
3. We use the knowledge gained from customer feedback to improve service delivery.					
5. Entrepreneurial Orientation					
5.1. Innovativeness	1	2	3	4	5
1. We invest heavily in research and development to create new solutions.					
2. We actively seek new ways to innovate our processes and offerings.					
3. The company encourages employees to come up with new ideas for products or services.					
4. Our company frequently introduces new products and services to the market.					
5.2. Risk-Taking	1	2	3	4	5
1. We invest in new ideas even when the outcomes are uncertain.					

2. Our company is willing to take significant risks to achieve growth and success.					
3. We are open to pursuing opportunities in uncertain and dynamic market conditions.					
4. When launching new services, we are comfortable with the risk involved.					
5.3. Pro-activeness	1	2	3	4	5
1. Our company actively seeks out new business opportunities in the telecom market.					
2. We are quick to respond to changes in the telecom industry before competitors do.					
3. Ethio Telecom anticipates market trends and acts on them early.					
4. We proactively engage with customers to understand their evolving needs.					
5. Our company constantly looks for ways to gain a competitive edge before others.					
6. Government Regulations (Moderator)					
6.1. Normative Regulations	1	2	3	4	5
1. Ethio Telecom adjusts its business strategy in response to changes in government policies.					
2. Government regulations require ethio telecom to constantly adjust its business practices to ensure compliance.					
3. Ethio Telecom continuously adapts its corporate culture and practices to align with evolving government regulations and industry standards.					
4. Regulatory changes often require Ethio Telecom to make operational adjustments that affect its performance.					
5. Ethio Telecom's market conditions are largely shaped by government regulations on competition and market entry.					
6.2. Statutory Regulations	1	2	3	4	5
1. Government regulations significantly influence the strategic direction of Ethio Telecom.					
2. The government controls key factors like pricing and market access, which directly affect Ethio Telecom's operations.					
3. Ethio Telecom's ability to expand into new markets is significantly influenced by government policies.					
4. The process of acquiring licenses for new services or expanding in new regions is largely governed by government regulations.					
5. Ethio Telecom strictly complies with government regulations in its daily operations.					

7. Financial Performance					
7.1. Revenue Growth	1	2	3	4	5
1. Our company has consistently increased its revenue year over year.					
2. We have successfully expanded our customer base, resulting in higher revenues.					
3. The revenue from new telecom services has contributed positively to our growth.					
7.2. Profitability	1	2	3	4	5
1. Our company has consistently increased its profit margins over the past year.					
2. The profit generated from our services has improved steadily over the last three years.					
3. Our company maintains strong profit margins.					
7.3. Return on Investment (ROI)	1	2	3	4	5
1. The return on investment for new telecom technologies has met or exceeded expectations.					
2. We regularly analyze our ROI for various projects to ensure financial viability.					
3. Our company consistently achieves high returns on our telecom investments.					
8. Non-Financial Performance					
8.1. Customer Satisfaction					
1. Our customers are generally satisfied with the quality of our telecom services.					
2. We regularly receive positive feedback from our customer base.					
3. Customer complaints are efficiently resolved in our organization.					
4. Our company is committed to resolving customer issues quickly and effectively.					
5. Customer satisfaction is a key priority for our company.					
8.2. Customer Retention	1	2	3	4	5
1. Our company has a high customer retention rate.					
2. We track customer retention metrics and make improvements to enhance loyalty.					
3. We have effective customer loyalty programs in place.					
4. Our services have a strong reputation that encourages customers to stay with us.					
8.3. Employee Satisfaction and Engagement	1	2	3	4	5
1. Our employees are generally satisfied with their work environment and career development opportunities.					
2. Employees at our company feel valued and motivated to contribute to its success.					
3. Our company fosters a culture of employee engagement and empowerment.					
4. We actively encourage and support employees' professional growth.					

Annex 2. Interview Guide

Welcome, and thank you for participating in this interview. The purpose of this interview is to gather insights for my research for the partial fulfillment of Master's Degree in Business Administration (MBA). The research focuses on Ethio telecom entitled with "the role of strategic orientation on organizational performance: A Moderating effect of government regulation". Your input will be valuable in understanding how different departments contribute to the company's strategic initiatives and how these initiatives influence performance outcomes.

1. Strategic Orientation

1.1 How do you perceive the role/contribution of strategic orientation in driving the performance of Ethio Telecom?

1.2 Can you explain how Ethio Telecom integrates innovation, market, and technological, Learning and Entrepreneurial orientation into its overall business strategy?

2. Government Regulation

2.1 How does government regulation affect your strategic decision-making processes?

2.2 Are there any specific regulatory policies that have influenced company's approach to Innovation and Market orientation?

2.3 What are the biggest challenges you face when introducing new technologies to the market due to regulatory Requirements?

2.4 How have regulatory changes impacted the company's ability to innovate or expand its Market offerings?

3. Performance

3.1 How do you measure the company's organizational performance?

3.2 Can you provide examples of how government regulation has impacted organizational Performance, either? Positively or negatively?

3.3 How do you measure the effectiveness of customer service and operational efficiency in Relation to the Company's strategic goals?

3.4. How does the leadership team at Ethio Telecom ensure that employee satisfaction is Continuously monitored and improved within the organization?

3.5 What strategies or initiatives is Ethio Telecom implementing to enhance customer Satisfaction and maintain competitive advantage in the market?

Annex 3. Time plan

No	Activities	Submission Date
1	Concept Note	November.2024
2	Draft Proposal	January, 2025
3	Final Proposal	February, 2025
4	Data Collection	March, 2025
5	Data Entry, Cleaning and Analysis	April, 2025
6	Draft Thesis	May, 2025
7	Final Thesis	June, 2025

Annex 4. Letter of Authorization/Letter of Approval for Data collection

አዲስ አበባ ዩኒቨርሲቲ
የቢዝነስና ኢኮኖሚክስ ኮሌጅ
ማስተርስ ኦፍ ቢዝነስ አድሚኒስትሬሽን

Addis Ababa University
College of Business & Economics
Masters of Business Administration

Ref No: CBE/MBA/30 /2023/24
Date: 21/2/2025

1000/03/2025
3-1-2025

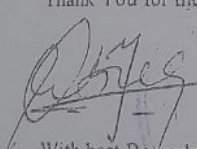
To Ethio Telecom

Student Belete Ejiru is undertaking a research project entitled
"The Role of Strategic Orientation on Organizational Performance": The Case of Ethio Telecom
She/he is taking this opportunity of research project study in partial fulfillment of MBA master in Finance /Management.

We believe that result of the project would have practical application and be of value to you, to us and to the business Community at larger. Hence we would be very grateful if your organization could support us in this endeavor.

Besides, we promise you that data will be kept confidential and used for academic purposes only. Further, we can send to you all the summary and finding when the undertaking is completed.

Thank You for the anticipated cooperation.


With best Regards
Dr Abera Legesse
Coordinator, MBA Program
College Of Business and Economic

To: SP/mer
For your Usual support
11-Feb-25

Belete Ejiru (0911488707)
0993637013

251-011-1-22-96-91 5563

To: Head Office Employees
For 400 & Usual Support
in filling up the Research Questionnaire
10-Feb-25