

## **Analyzing Entrepreneurial Orientation of SMEs: Evidence from Albania**

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**Abstract:** *Entrepreneurship and its role on the growth of the country was one of the main discussed topics during the first half 20th century. The discussion during the second half of the century shifted to the analysis of the entrepreneurial orientation and factors affecting entrepreneurial behavior of the firms. The research conducted on many developed countries revealed that there is a positive relationship between entrepreneurial orientation and firm performance.*

*Albania is a developing country which has only a twenty year period of open market economy. This paper analyses the role of entrepreneurial orientation and its components on the growth orientation of Albanian SMEs. The entrepreneurial orientation components included in this study are: innovation, risk-taking, proactiveness, and autonomy. The data used in the study are primary data collected during September-December 2013 through the questionnaire distributed to 60 Albanian SMEs operating in its capital city of Tirana. The methodology used for the analysis of the data is multiple regression analysis. The analysis revealed that higher level of entrepreneurial orientation resulted in higher level of SMEs growth orientation and performance. In further studies a new dimension of the entrepreneurial orientation proposed to be investigated whether it has or not a positive impact on SMEs performance is collaborative orientation between SMEs, research institutions and government.*

**Keywords:** *Entrepreneurial Orientation, SME-s, Growth Orientation, Albania, Regression Analysis.*

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