

## Original Article

### Does the level of competition influence the relationship between entrepreneurial orientation and service quality?

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#### Abstract:

In times of economic instability and increasingly competitive environments, organisations need to differentiate themselves and find the best version of themselves. Entrepreneurial orientation (EO) is increasingly present in organisations in general and constitutes an opportunity to improve performance in the sports associations sector. Sporting clubs are organisations of great qualitative and quantitative relevance, although few studies have approached their entrepreneurial character as an opportunity to seek success in achieving their goals. Although the positive relationship between entrepreneurial orientation and organisational performance has been well established, the moderating role of other variables in this relationship has not been studied to the same extent. The aim of this study is to analyse the relationship between EO with its constitutive dimensions (innovation, proactivity and risk-taking), with service quality (SQ) considered as the performance variable. The study has been approached considering entrepreneurship orientation from both a one-dimensional and multidimensional point of view, taking into account the discrepancies observed in the literature. The moderating role of the competition level (CL) of Spanish basketball clubs in this relationship was analysed as well, and this analysis was performed using the PROCESS macro, designed to test moderation by directly evaluating the importance of the indirect effect of the independent variable (X; EO INNO, RISK, and PROAC) on the dependent variable (Y; SQ) through a moderator: CL (M). The study was carried out with 103 Spanish basketball clubs (61% from the national category and 39% from the regional category). The results show significantly higher results in proactivity and EO in national sports clubs. There is also a relationship between all the variables studied (innovation, proactivity, risk taking, EO and service quality). The variables that best explain service quality are risk taking and entrepreneurial orientation. However, there is no moderating role for the competition level in the relationship between innovation, proactivity, risk taking and EO, with service quality.

**Key words:** Entrepreneurial orientation, service quality, competition level, performance, sporting club, basketball.

#### Introduction

We are currently in an unstable environment, with rapid changes and short life cycles. Therefore, the guarantee of success and performance in the future is uncertain, forcing organisations to constantly seek change to take advantage of new opportunities (Rauch, Wiklund, Lumpkin, & Frese, 2009). The influence of the external environment on an organisation's performance has been widely studied in organisational and management literature. Any organisation seems to be highly dependent on the environment in which it finds itself, especially in terms of resources and information as well as the opportunities that can be explored and exploited (Eisenhardt & Schoonhoven, 1990). This environment is extremely dynamic. When we talk about environmental dynamism, we refer to the uncertainty and unpredictability of the changes that may occur in the future and the development and evolution of the context in which the organisation is immersed (Miller & Friesen, 1983). This uncertainty includes changing user needs, the unpredictable development of competitors, or knowledge of new technologies that can turn the management and direction of organisations upside down. According to Lumpkin and Dess (2001), all of this requires fast and high levels of proactivity; in a stable and comfortable environment, there is no need to explore and exploit new resources. Consequently, a dynamic and ever-changing environment forces organisations to constantly search for the best version of themselves, making entrepreneurial orientation necessary. There are as many definitions of entrepreneurial orientation (EO) as authors have studied the construct. Based on Lumpkin and Dess (1996), EO refers to the processes and practices in which decision-making leads to a new entry. In other words, EO can be seen as the intentions and actions of managers acting in a dynamic generative process aimed at creating new organisations or opportunities. In the same vein, Wiklund and Shepherd (2005) explain in their study of business orientation and performance that "EO refers to a firm's strategic orientation, capturing specific entrepreneurial aspects of decision-making styles,

methods, and practices” (p.74). In any case, the EO construct faces challenges that go beyond even conceptualisation itself, such as its constitutive dimensions and its unidimensional or multidimensional character.

*One-dimensional or multidimensional construct?*

If we take into account the dimensionality of the construct, there is also a wide debate. On the one hand, there are authors who understand the construct as unidimensional, as they have presented in their studies (Stam & Elfring, 2006; Walter, Auer, & Ritter, 2006), while there are other researchers who analyse the entrepreneurial orientation in a multidimensional way (Monsen, 2005; Richard, Barnett, Dwyer, & Chadwick, 2004). In recent research, there is a tendency towards a multidimensional conceptualisation of EO, which leads to a greater acceptance that entrepreneurial orientation dimensions can be expected to manifest unique contributions to the results of organisations without the need to analyse the construct in a general way. Therefore, one of the most important decisions to be taken by researchers is the dimensionality that will follow in the analysis of EO (Covin, Green, & Slevin, 2006). The review of the related studies showed that many works have studied EO as a latent construct composed of interrelated (uni-dimensionally) facets, as opposed to an idiosyncratic configuration of multiple dimensions describing the phenomenon (multi-dimensionally). However, it is important to note that the choice between unidimensional or multidimensional concepts must be motivated by the main objective of the research (Covin & Wales, 2011). The main difference is that the consideration of EO as a single factor implicitly recognises an equivalent contribution of all its constituent elements in the results, while the multidimensional perspective recognises the possibility of a diverse and inequitable contribution, including variables, from different dimensions.

*Constitutive dimensions:*

There is a discrepancy regarding the number of dimensions that make up the entrepreneurial orientation construct. Some authors affirm the existence of three dimensions, which would be innovation, proactivity and risk taking (De Clercq, Sapienza, & Crijns, 2005; Richard et al., 2004; Yoo, 2001). This point of view is one of the most shared, as Wales, Gupta, and Mousa (2011) note, who in a review of 158 articles on entrepreneurship, found that in 68% of them (a total of 98), EO was considered to be a clearly defined three-dimensional construct (innovation, risk taking and proactivity). The innovative capacity ("innovativeness") is the tendency of an organisation to generate and realise new ideas. It also includes novelty, experimentation and any creative process that may lead to new products, services or technological processes (Fernández-Mesa, Alegre-Vidal, & Chiva-Gómez, 2012). For some authors, it is the most relevant dimension of the EO construct. For a few researchers, what distinguishes an entrepreneurial organisation from a non-entrepreneurial organisation is the use of innovation (Schuler, 1986). In fact, there are some researchers that only analyse the innovation variable, since they consider that it would be represented in general in the entrepreneurial orientation construct (Hult, Snow, & Kandemir, 2003). According to Meliá and Pérez (2005), "proactivity" is the organisation's capacity to anticipate changes in its environment. These changes can be predictable or unpredictable, but it requires a good understanding of the industry you are working in and your competitors to anticipate any eventuality. In addition, it is necessary to gain competitive advantages from these changes, bringing a benefit to the organisation and leaving it stronger after that action. Rauch et al. (2009) consider proactivity to be the ability of companies to take the initiative in an effort to shape adequately the field of organisation. As before, there are also authors who only analyse the proactivity variable when considering it as the most important factor, and among them would be Becherer and Maurer (1999). Finally, risk taking involves taking bold steps, raising large amounts of capital through loans and/or assigning significant resources to the organisation. Risk taking is defined as the willingness to commit significant resources to opportunities. It is important to note that there must be a reasonable chance of failure, as you are thereby compromising the stability of the organisation by having beneficial subsequent results (Fernández-Mesa et al., 2012).

In addition to these positions, some authors contribute additional dimensions to the EO construct, such as Lumpkin and Dess (1996), who identified competitive aggressiveness and autonomy as additional components of the EO construct.

Based on Rauch et al. (2009) "the competitive aggressiveness is the power of an organisation's commitment to surpass its rivals and is characterised by a strong offensive stance or aggressive responses to threats from competitors" (p.764). Autonomy has also been considered as an additional dimension by Monsen (2005), understood as the ability of leaders/staff of organisations to act independently, focusing such actions on improving one's own organisation and obtaining good results. Slater & Narver (2000) have suggested that autonomy, innovation and risk taking are constitutive dimensions, while other researchers carry out research analysing the five possible suggested dimensions (George, Robley & Khan, 2001), or even distinguish between entrepreneurial behaviour (the search for new products or services in order to achieve a better service), and entrepreneurial attitude (the inherent inclination towards risk that favours strategic actions in spite of uncertainty as to the result), such as Miller (1983). Finally, and according to Anderson, Kreiser, Kuratko, Hornsby, & Eshima (2015), the three dimensions that make up the entrepreneurial orientation (innovation, proactivity and risk taking) can in turn be divided into two lower order ones. First, innovation and proactivity are encompassed in behavioural variables, while risk taking can be understood as an attitude variable.

*EO and performance and the role of some moderating variables:*

The interest in the entrepreneurial orientation construct is based on its practical implications: the demonstrated relationship between EO and the organisation's performance. This is a relationship that is widely supported in the literature and is defined as "moderately large" (Rauch et al., 2009). We can cite several studies that support this relationship, including Wiklund and Shepherd (2005) who analysed a total of 465 senior managers from small, medium and large knowledge-intensive manufacturing, labour-intensive manufacturing, professional services, and retail companies and found a positive relationship between entrepreneurial orientation and performance in the organisation; Núñez-Pomar, Prado-Gascó, Añó, Crespo, & Calabuig (2016) in their study of 18 Spanish sports organisations; and Poon, Ainuddin, and Junit (2006) that analysed EO as a mediating variable between certain self-concept traits of managers and the performance of the organisation. However, entrepreneurial orientation is not simply an instrumental variable that is closely related to the success or better performance of the organisation (in the short, medium or long term), but rather it is associated with numerous and varied aspects of the operation of the company, which opens the door to a wide variety of research directions in the future (Wales et al., 2011). Nevertheless, some nuances have been incorporated into this relationship, giving importance to moderating variables and to the context. Lumpkin and Dess (1996) point out the high degree of complexity, suggesting that there are context-specific variables that should not be taken into account. In other words, the intensity of the relationship between entrepreneurial orientation and the performance of the organisation depends both on the characteristics of the external environment and on the internal organisational characteristics. According to Wales et al. (2011), researchers are beginning to study the moderating influence of different variables on the relationship between EO and other constructs. This relationship appears to be affected by certain factors, the effects of which are sometimes even stronger than the effect of EO on the performance (Covin, Green y Slevin, 2006) and whose identification has become necessary (Engelen, Gupta, Strenger, & Brettel, 2015). In this sense, mediating or moderating variables have been studied, such as the size of the organisation (Núñez-Pomar et al., 2016), the characteristics of the management team (Escribá-Esteve, Sánchez-Peinado, & Sánchez-Peinado, 2008), and the effect of the organisation's strategic processes (Covin et al., 2006). However, important organisational characteristics such as the length of service of the company (Hamilton, 2011) among many others, seem to have received little attention as moderating influences within previous research on entrepreneurial orientation.

*EO and sports organisations:*

At national and international levels, sport and sports organisations are in continuous development. The sports sector represents an important economic and social entity (Gallardo, Guerrero, & Gómez, 2004). The forms of management and administration of sports organisations can be different, as well as the sector in which they operate (public, private or associative). Regardless of their legal or structural characteristics, all of them have the common objective of achieving success and excellence in their field of action (García-Tascón, 2008), increasing the well-being of people through the provision of quality services. In addition, within the sports sector, there are different types of sports organisations. A sports organisation is a social entity involved in the sports sector that has a main objective and includes a system of activities and services structured in a conscious and organised way that also has a relatively identifiable limit (Slack & Parent, 2006). According to Stewart (2017), sports organisations can range from unregistered associations, in terms of their legal structures, to private companies with a commercial and for-profit structure, at the other extreme. Within these ranges are many types of sports organisations, each with different peculiarities. In this study, we will focus on sporting clubs. Sporting clubs, often forgotten by the great institutions, are the basis of excellence in sport and play a vital role in the evolution of sport in all countries (Gallagher, Gilmore, & Stolz, 2012). According to the MECD (2017), sports clubs are "private associations made up of natural or legal persons whose purpose is the promotion of one or more forms of sport, the practice of these by their members, and participation in sports activities and competitions" (p.102). One of the main characteristics of most sports clubs is their 'nonprofit' status. This gives them a very different economic and social character than other sports organisations. Professional club status should be taken into account in some very specific cases. Clubs play an important role because they occupy a space that neither the state nor the market usually serves. The main difficulties they face relate to their human resources (often voluntary) and financial aspects. The two problems are, in many cases, closely related (Coates, Wicker, Feiler, & Breuer, 2014). They are defined as a meeting place for people with a common interest in this form of association and who are looking for a way to include themselves in recreational or competitive programmes of a particular sport discipline. They create an opportunity for personal development (at different levels), for economic development, for the creation of social capital, and for a sense of community belonging and identity (Doherty, Misener, & Cuskelly, 2014). However, despite the undeniable impact of sports in today's society, as well as its unstoppable growth, few studies have analysed entrepreneurship in the sports sector (Ratten, 2011), and even fewer have analysed the role of moderating variables in the relationship between entrepreneurial orientation and performance in sports organisations (Núñez-Pomar et al., 2016). Due to this scarcity of organisational and sports literature, the main objective of this study is to analyse the role of the level of competition (a typical and exclusive distinguishing characteristic of this type of organisation) as a moderating

variable in the relationship between entrepreneurial orientation and the "service quality" performance dimension in Spanish basketball clubs (Fig. 1). Additionally, given the debate in the literature surrounding the one-dimensional (EO) vs. multidimensional (risk taking+innovation+proactivity) character of the EO construct, both approaches are analysed in this study. This perspective will make it possible to enhance the study and could help shed light on this debate. For the analysis of the proposed moderating variable, the macro Process (Hayes, 2013) has been used, a novel methodology that is gaining increasing usage due to the accuracy of the data collected, as well as the information it is capable of providing. It has been used in academic and sports studies (Escamilla-Fajardo, Núñez-Pomar, Prado-Gascó, & Calabuig-Moreno, 2017), among many others.

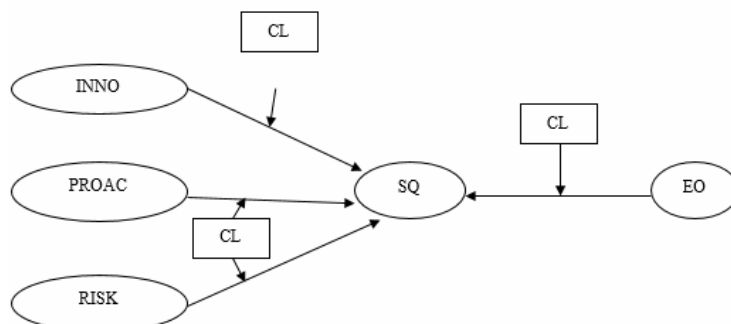


Fig. 1. Conceptual diagram of EO, innovation, proactivity, risk taking, SQ and CL moderator variable

**Material and methods**

*Participants*

The sample is comprised of 103 basketball sports clubs from all over Spain, 61% of which are national, and the remaining 39% are regional.

*Instruments*

The questionnaire used to collect the data analysed in this study consists of two different scales. First, the Entrepreneurial Orientation scale was created by Covin and Slevin (1989) from previous items pioneered by Miller and Friesen (1982) and adapted later by Engelen et al. (2015) and Lee and Sukoco (2007). This scale is made up of eight items, of which three items are designed to assess the innovation dimension of EO, and two items are designed to measure proactivity in many different contexts (Kreiser, Marino, & Weaver, 2002; Núñez-Pomar et al., 2016) as well as in the present research (see table 1). The second scale used is made up of an organisation's performance scale, and it measures the quality of the service provided, as adapted from the original version developed by Vorhies and Morgan (2005) through five items. The scale presents adequate psychometric properties in previous studies (Engelen et al., 2015), something that has also been observed in the present study ( $\alpha=.78$ ). The same type of Likert scale ranging from strongly disagree (1) to strongly agree (7) was used on both scales. Higher scores indicate higher levels of entrepreneurial orientation and service quality. The moderating variable is the maximum level of category of the sports club analysed, taking into account the possible responses of the autonomous or national authorities.

Table I. Difference from  $\alpha$  of Cronbach's main and own studio

	$\alpha$ of Cronbach (present study)
Entrepreneurial Orientation	.80
Proactivity	.62
Innovation	.67
Risk-taking	.71
Quality Service	.78

*Procedure*

This study is part of a collaboration agreement between the University of Valencia (UV) and the Spanish Basketball Federation (FEB), in which they facilitate the collaboration of the administration in sending the online questionnaire to the list of clubs at the national level, as well as each Autonomous Basketball Federation to the clubs in their territory.

The questionnaire was created using the application called LimeSurvey ©, generating its own link for completion. This link was included in a cover letter to the board of directors of the clubs. The questionnaire could only be answered by a person from the management or technical board representing the sports club. This person had to have been working for at least three years in the sports organisation in order to have a general and extended vision of the current situation of the club at the social, sports and economic level.

*Data collection and analysis*

For the statistical analysis, the SPSS 23.0 package was used, through which *t* tests were carried out to determine the difference in means according to the level of competition of the sports club in the variables entrepreneurial orientation, innovation, proactivity, risk taking and service quality, previously applying the Levene test to check the homogeneity of the variances and taking into account the size of the effect with Cohen's *d* (Cohen, 1988). In addition, the correlations were analysed using Pearson's correlation analysis that can be performed with the SPSS statistical program, identifying the existing relationship between the variables analysed. The last analysis performed was the moderating effect of one variable on the relationship of two others. For this, the PROCESS macro (Hayes, 2013) was used, an extension of SPSS with greater use in statistical analysis in the social sciences. PROCESS allows for simple and quick mediation analysis, being able to incorporate more sophisticated procedures, such as moderate mediation analysis or multiple mediation analysis (Fernández-Muñoz & García-González, 2017).

This macro is designed to test the moderating effect of competition level (CL) on the effect of entrepreneurial orientation (EO) and on the service quality (SQ). It was designed to test the moderation by directly assessing the significance of the indirect effect of the independent variable (X; EO, INNO, PROAC, and RISK) on the dependent variable (Y; SQ) through one moderator: CL (M). The moderation effect (with *n* = 5,000 bootstrap re-samples) is demonstrated when the bias-corrected confidence interval (95%) of the indirect effect does not include zero (Hayes, 2013).

**Results**

Table 2 shows the total average of the EO (innovation, proactivity and risk taking), general EO and service quality dimensions.

Table 2. Total average of sports basketball clubs

	M	SD
Entrepreneurial Orientation	4.59	.98
EO Proactivity	4.03	1.44
EO Innovation	4.35	1.16
EO Risk Taking	5.19	1.12
Service Quality	5.40	.83

The results obtained show a general tendency to high results in all the variables analysed. Within the analysis of entrepreneurial orientation in a multidimensional way, risk taking is the variable that obtains the best results (M= 5.19; sd=1.12) compared with the rest of the dimensions (proactivity and innovation). If we take EO into account in a unidimensional way, we can say that it gives good results with an average of 4.59 out of 7. Finally, service quality is the variable best valued by Spanish sports clubs (M=5.40; sd=.83).

Table 3 shows the difference in the averages of the variables analysed between clubs in the national category and clubs in the regional category.

Table 3. Difference of averages by level of competition in the variables studied.

	National level of competition		Regional level of competition		t	p
	M	SD	M	SD		
Entrepreneurial Orientation	4.74*	.95	4.34*	1.00	2.03	.04
EO Proactivity	4.28*	1.37	3.66*	1.49	2.11	.04
EO Innovation	4.51	1.16	4.09	1.13	1.80	.08
EO Risk Taking	5.29	1.05	5.04	1.22	1.10	.28
Service Quality	5.50	.77	5.25	.89	1.48	.14

\*= P<.05; \*\*= P<.01; \*\*\*= P<.001

The results obtained show significant differences in the general variable entrepreneurial orientation taking into account the level of competition (t(101)=2.06, p<.05, r=.20), with the national category sports clubs showing higher data than those of the regional category. They also show significant differences in proactivity (t(101)=2.15, p<.05, r=.21), with national clubs having higher results than regional clubs do. Similarly, in the other variables (innovation, risk taking and service quality), although there are no significant differences in terms of level of competition, the averages are different. In innovation, risk taking and service quality, the clubs that are active in the national category have higher averages than those of the regional sports clubs.

Table 4 shows the correlation between the different dimensions of EO and service quality and analyses the EO variable in a unidimensional way along with the result variable, service quality.

Table 4. Correlation between Risk-taking, Innovation, Proactivity and SQ.

	1	2	3	4
1. EO Risk-taking	1			
2. EO Innovation	.60**	1		
3. EO Proactivity	.22*	.59***	1	
4. Service Quality	.46***	.35***	.25*	1
5. Entrepreneurial Orientation	-	-	-	.44***

\*= P≤.05; \*\*= P≤.01; \*\*\*= P≤.001

If we take into account the results obtained, regardless of the level of competition, we find a relationship between the variables studied. First, if we analyse entrepreneurship orientation as a unidimensional variable, we can say that it has a direct positive relationship with service quality ( $\beta=.44$ ,  $p\leq.01$ ). If we analyse the EO construct in a multidimensional way, we can observe correlations between the different variables, including service quality. Starting with SQ, we found the heaviest relationship with the dimension risk taking ( $\beta=.46$ ,  $p\leq.01$ ), followed by innovation ( $\beta=.35$ ,  $p\leq.01$ ) and finally proactivity ( $\beta=.25$ ,  $p\leq.01$ ). We found, also, a strong relationship between risk taking and innovation ( $\beta=.60$ ,  $p\leq.01$ ), with the proactivity dimension being the least related to risk taking ( $\beta=.22$ ,  $p\leq.05$ ). On the other hand, the innovation dimension was closely related to the risk taking dimension ( $\beta=.60$ ,  $p\leq.01$ ) and to the proactivity dimension ( $\beta=.59$ ,  $p\leq.01$ ), while proactivity simultaneously shows a high relationship with innovation ( $\beta=.59$ ,  $p\leq.01$ ).

Tables 5 and 6 show the correlations between the variables analysed (unidimensional and multidimensional EO and service quality) in national sport clubs and regional sport clubs, respectively.

Table 5. Correlation between Risk-taking, Innovation, Proactivity and SQ in national sport clubs.

	1	2	3	4
1. EO Risk-taking	1			
2. EO Innovation	.61***	1		
3. EO Proactivity	.25*	.54***	1	
4. Service Quality	.45***	.40**	.35**	1
5. Entrepreneurial Orientation	-	-	-	.50***

\*= P≤.05; \*\*= P≤.01; \*\*\*= P≤.001

Table 6. Correlation between Risk-taking, Innovation, Proactivity and QS in regional sport clubs.

	1	2	3	4
1. EO Risk-taking	1			
2. EO Innovation	.57***	1		
3. EO Proactivity	.16	.62***	1	
4. Service Quality	.46**	.24	.06	1
5. Entrepreneurial Orientation	-	-	-	.34*

\*= P≤.05; \*\*= P≤.01; \*\*\*= P≤.001

There are notable differences in the correlations between national sports clubs and regional level sports clubs. The main difference is found in the analysis of the EO-SQ relationship considering EO unidimensional; there are significant differences between national and regional clubs ( $\beta=.50$ ,  $p\leq.001$  vs  $\beta=.34$ ,  $p\leq.05$ , respectively). From a multidimensional perspective, in national level clubs, innovation, risk taking and proactivity show positive relationships with SQ ( $\beta=.45$ ,  $p\leq.001$ ;  $\beta=.40$ ,  $p\leq.01$  and  $\beta=.35$ ,  $p\leq.01$ , respectively), while in regional level clubs, this relationship is only significant in the case of risk taking ( $\beta=.46$ ,  $p\leq.01$ ).

The moderating effect of the level of competition of sports clubs on the variables studied (unidimensional EO and multidimensional EO with dimensions: innovation, proactivity and risk-taking) was then studied using the macro PROCESS. Table 7 shows the results of the conditional process analysis.

Table 7. Model Summary Information for the Serial Multiple Moderator Model

Direct effects							
	Efect	SE	t	p		R <sup>2</sup>	F (p)
EO>SQ	.62	.72	.52	.60		.20	8.43 (.00)
INNO>SQ	.34	.61	.28	.78		.13	4.98(.00)
RISK>SQ	.33	.69	-.24	.81		.22	9.57(.00)
PROAC>SQ	.36	.48	.98	.33		.09	3.22(.03)
Moderator Effect of CL							
	Efect	Boot SE	t	p	95%CI	AR <sup>2</sup>	F (p)
EO>SQ	-.11	.16	-.67	.50	-.41 .20	.00	.46 (.50)
INNO>SQ	.00	.13	.01	.99	-.26 .26	.22	9.57(.00)
RISK>SQ	-.07	.14	-.54	.59	-.35 .20	.13	4.98(.00)
PROAC>SQ	-.16	.11	-1.42	.16	-.39 .06	.09	3.22(.03)

Note: Risk Taking (RISK), Innovation (INNO), Proactivity (PROAC), Entrepreneurial Orientation (EO), Service Quality (SQ), Competition Level (CL).

As Table 7 reports, entrepreneurial orientation (EO) seems to explain 20% ( $R^2=.20$ ,  $p=.00$ ) of service quality, whereas if we analyse EO in a multidimensional way, we can say that innovation (INNO) predicts 13% ( $R^2=.13$ ,  $p=.00$ ) of service quality (SQ) and proactivity (PROAC) 9% ( $R^2=.09$ ,  $p=.03$ ), and finally, risk taking (RISK) seems to be the best predictor of service quality (SQ), predicting 22% ( $R^2=.22$ ,  $p=.00$ ).

Finally, after analysing the moderation exercised by competition level in the relationship between the different variables studied, we have found that there is no moderating influence on any of the relationships between variables that contain 0 (Hayes, 2013). There is no moderation of the competition level in the relationship between risk taking and SQ (Effect=.07; SE=.14;  $t=-.54$ ( $p=.59$ )), innovation and SQ (Effect=.00; SE=.13;  $t=.01$ ( $p=.99$ )), proactivity and SQ (Effect=-.16; SE=.11;  $t=-1.42$ ( $p=.16$ )), and EO and SQ (Effect=-.11; SE=.16;  $t=-.67$ ( $p=.50$ )).

## Discussion

In Spain, from 1980 to 2015, there has been a progressive increase in the practice of sport, involving people between the ages of 15 and 65. According to data collected by García Ferrando & Llopis Goig (2017), the amount of Spanish population involved in physical activity and sports has more than doubled, from 25% to 53%. In addition to the improved monitoring of sports practice, there has also been a significant economic impact of sports (Salgado-Barandela, Barajas, & Sánchez-Fernández, 2017). This improvement in the economic impact may have had an influence on a better social value, since physical activity and sports are considered important in increasing people's quality of life (Paramio, Gil-Olarte, Guerrero, Mestre, & Guil, 2017). After its undeniable development, there has been a transformation from a very voluntarist and lax sports policy to a production sector of the first magnitude, according to the affirmations of Gallardo, Guerrero and Gómez (2004). In this context, sports clubs are vital entities in the promotion and practice of different sports modalities. Sport clubs are characterised by their heterogeneity and the lack of uniform regulation and hierarchy (Wicker & Breuer, 2013), their social diversity and their close relationship with the institutional framework (Puig, Moreno, & López, 2010). Their main function is to organise the teams that take part in competitions, but it should not be forgotten that they are currently the main providers of sports, leisure and social programmes (Wicker & Breuer, 2013), which are very sensitive to the economic, social and political environment in which they operate.

Sporting clubs are not unaware of the growing tension to do more and better, and this reality highlights those tools that can contribute to better management of this type of organisation. The entrepreneurial orientation is an attribute that, evaluated through the presence of certain dimensions, shows the potential of the organisation to improve its performance. Our interest has focused on the analysis of the EO-SQ relationship in sporting clubs, both from a one-dimensional and multidimensional perspective, as well as studying the moderating role of the competition level variable. There are many characteristics that differentiate sports clubs, and many others that are common to all of them. In this study, once its social importance has been pointed out, we have taken the highest level of competition in which the club plays as a reference point, which has allowed for us to differentiate between national and regional level clubs. According to the results obtained, the clubs that are active in the national category show higher results in all the variables analysed (entrepreneurial orientation in a one-dimensional way, proactivity, innovation, risk taking and service quality). However, only the differences in EO and proactivity have been significant in national level clubs compared to regional level clubs.

Our results have also shown a correlation between EO and the performance variable studied (service quality), in the line of Wiklund (1999), as well as between the three dimensions of EO, in line with the findings of different authors (Arzubiaga Orueta, Iturralde Jainaga, & Maseda García, 2012; Covin et al. (2006)), who pointed out that the capacity for innovation, risk taking and proactivity show moderate to high correlations between them in practice. The relationship between entrepreneurial orientation and performance has already been widely supported in the literature. In spite of this, we must not forget that the literature also suggests

different ways of assessing performance, such as the combination of financial and non-financial measures (Rauch et al., 2009) or objective measures combined with perception measures, given that "performance is multidimensional in nature, and it is therefore advantageous to integrate different dimensions of performance in empirical studies" (Wiklund & Shepherd, 2005, p. 80). Therefore, it is important to remember that, according to Lumpkin and Dess (1996, p.153) "entrepreneurial activity or processes may, at times, lead to favourable outcomes on one performance dimension and unfavourable outcomes on a different performance dimension". However, we have not found any moderating effect of the competition level on the EO-SQ relationship. The absence of studies that analyse the moderating role of the competition level does not allow for us to compare our results with similar works, although it should be considered as a future line of research to determine to what extent the competition level is related to other organisational variables such as the size of the organisation, its culture, its environment or the development of strategic processes, variables that have been considered as moderators or mediators in the EO-performance relationship and that would allow for a more appropriate comparison. They could also constitute future lines of research to study different moderating variables that could affect the relationship such as the size of the club by number of licenses, difference by type of financing (public or private), and others. However, we must not forget that the competition level could be considered a performance variable in itself. Therefore, it seems normal for organisations with a higher CL to show higher results in terms of entrepreneurial orientation, but on the other hand, the fact that performance dimensions such as service quality do not show significant differences between one type of organisation and another is relevant.

### Conclusions

EO helps organisations transform the benefits of a generous environment into higher levels of performance (Rosenbusch, Rauch, & Bausch, 2013), and our study suggests that this correlation also exists in sporting clubs. In this study, significant differences have been found taking into account the maximum level of competition in which the sports club is active; as such, the national sports clubs are the ones that show significantly higher results in the dimensions of proactivity and in the entrepreneurial orientation variable. The differences found in the results considering EO in a one-dimensional and multidimensional way reinforce the idea of the need for further study to shed light on this dilemma. Finally, the moderating role of competition level in the relationship between the different variables studied (innovation, proactivity, risk taking and EO) and the dependent variable "service quality" has not been demonstrated. Applying and adapting the definition of Anderson, Kreiser, Kuratko, Hornsby, & Eshima (2015) to our research environment, it can be said that entrepreneurial sporting clubs are those that show innovation (by introducing new services, strategies and models), proactivity (by avoiding stagnation and constantly seeking new space in the market, thus improving their position in the competitive environment) and risk taking (considered as the will of decision-makers to make decisions that compromise, in part, the stability of the organisation by having uncertain results, but that may lead to an improvement in subsequent performance).

**Conflicts of interest** - The authors of this paper have no conflict of interest to declare.

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