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# EFFECT OF INDIVIDUAL ENTREPRENEURSHIP ORIENTATION ON EXPORT INTENTION IN MICRO AND SMALL ENTERPRISES: THE MODERATING ROLE OF ACCESS TO FINANCE

## ABSTRACT

**Purpose:** Considering the importance of the internationalization of micro and small enterprises (MSEs) for the national economic growth, this study was conducted in order to determine the possible impact of individual entrepreneurial orientation (IEO) on export intention in MSEs through the moderating effect of access to finance.

**Methodology:** This research consists of a survey of 150 agriculture farm owners from Nepal conducted in January 2020. The researchers used SmartPLS as a research tool to analyse the data.

**Results:** The results of this study indicate that out of five dimensions of IEO, only autonomy has a positive significant effect on export intention, whereas access to finance had no moderating role in the effect of IEO on export intention.

**Conclusion:** Overall, this study provides profound insight about IEO in the context of a less developed country like Nepal and also sheds light on Nepalese farm owners' IEO and their intention to export.

**Keywords:** IEO, export intention, access to finance, PLS-SEM, Nepal, MSEs

## 1. Introduction

Agriculture is one of the world's largest sectors, engaging more than a billion individuals and accounting for 3 percent of worldwide GDP (FAO, 2016). Due to economic liberalization, decreasing protection of agricultural markets and a fast-moving society, the conventional perception of agriculture (i.e. as a low-tech industry managed by small firms

or farmers) has altered dramatically over the last decade. The agriculture sector influences the basis of industrial growth and development. Increase in agricultural export boosts economic growth more than increase in the industrial sector (Aslam & Topcu, 2018). On the other hand, increasing liberalization of the world's trading system has empowered businesses of all sizes to take part in the global trading system. Zucchella (2000) found out

that business size was not a factor and that being micro and/or small does not prevent an enterprise from internationalization. Hence, it is important to have clear insight about micro and small enterprises (MSEs), their intention to export and factors that can have significant influence on their decision to export. In today's world, high sustainable economic growth with fair income distribution is not possible without developing the capacity of low-income families. Moreover, it is well known that MSEs are a source of economic growth, job creation, and empowerment of weaker sections of a society.

Failure to export can be harmful to the national economy, as exports have a significant impact on foreign currency reserves. Considering the importance of export, several nations have sought to motivate businesses to participate in export markets through public assistance (Kanda et al., 2013). Nevertheless, encouraging new exporters remains a challenging job for governments and export promotion organizations, as businesses see export as challenging and uncertain prospect (Al-Hyari et al., 2012). Thus, it is crucial to explore the relevant factors that can have potential consequences for the export intention of micro and small enterprises (MSEs). Furthermore, successful export requires a range of competencies and knowledge about the foreign market, which means potential exporters should have entrepreneurial skills like proactiveness, innovativeness, aggressiveness, etc. Throughout the years, various researchers have sought to explain the complex phenomenon of entrepreneurship beyond the traditional underlying concept of new venture creation. While the larger proportion of entrepreneurship research may be tackling basic theoretical concerns, results have been more encouraging in other areas of entrepreneurship research, mainly in the notion of entrepreneurial orientation (EO). EO has received an ample amount of theoretical and empirical consideration as a principal notion in the realm of entrepreneurship (Covin et al., 2006).

Scholars like Rauch et al. (2009) and Gupta and Gupta (2015) have recognized EO as a firm-level concept. However, Robinson and Stubberud (2014) have opened up a new perspective for EO research, proposing that EO can also be observed as an individual-level construct; that is, in terms of individual entrepreneurial orientation (IEO). IEO defines the individual approach of a person, which has an extensive impact on the way they behave and the decisions they make. Researchers have suggested that a comprehension of IEO helps in the identification of individuals' preference and ability to start a new venture. Such ability can be evaluated through the

measurement of individual tendency to adopt newness, a person's responsiveness, and a degree of boldness (Rauch et al., 2009). Contemporary studies that examine IEO acknowledge that the IEO construct consists of elements parallel to the construct of firm-level EO (Koe, 2016).

Furthermore, firms that want to compete in the global market also need to invest heavily in order to compete and sustain their operations, which may mean they must rely on external sources of finance to fulfil their liquidity needs. In financial literature, researchers have always highlighted the strong influence of the availability of finance on export decision-making. Researchers such as Bernard et al. (2010) highlight access to finance as a possible barrier to entering the export market. Similarly, Chaney (2016) found that the lack of access to the financial market prevents firms from entering international markets, as they are unable to cover the expenses of entering global markets. This difficulty MSEs experience in securing long and short-run loans restricts their operations (i.e. purchasing and selling goods and services globally) as they cannot invest for plant and equipment and working capital purposes. Hence, it is reasonable to expect that access to finance will moderate the effect of IEO on export intention.

Hence, this study has two objectives. Firstly, it aims to examine the effect of IEO on export intention in agro-based MSEs from Nepal. The agricultural sector has been chosen for this study as most of the entrepreneurship research has ignored this sector, focusing mainly on the industrial and services sectors. The second objective is to find out whether access to finance moderates the effect of IEO on export intention. The findings of this study will be valuable for those scholars who are currently researching IEO and to the government of Nepal, as they can understand the current situation of agricultural entrepreneurship in Nepal.

## 2. Literature review and hypothesis development

### 2.1 Micro and small enterprises (MSEs) in Nepal

The *Industrial Policy Act (2016)* of Nepal defined a micro enterprise as a small business enterprise operated by a low number of people, i.e. less than 10, and having a turnover of less than 5 million Nepalese Rupees (Nrs). A small enterprise, on the other hand, is defined as a firm having fixed capital of less than 100 million Nrs (Nepal Law Commission, 2016).

**Table 1** Criteria of Industries based on Nepalese Industrial Policy Act

Types of Industries	Requirements	Energy Consumption
Micro Enterprises	a. Fixed assets up to Nrs 500,000 excluding Land and Building b. Fewer than 10 employees, usually self-employed and self-managed c. Annual turnover of less than Nrs 5 million	20 KW
Small Enterprises	a. Fixed assets less than Nrs 100 Million, including Land and Building	-
Medium Enterprises	a. Fixed assets must be between Nrs 100 million and Nrs 250 million including Land and Building	-
Large Enterprises	a. Fixed assets must be more than Nrs 250 million including Land and Building	-

Source: Nepalese Industrial Policy Act (2016)

**2.2 Understanding individual entrepreneurial orientation (IEO)**

As mentioned earlier, the root of the IEO concept is grounded on EO itself. IEO measures the EO at an individual level. The concept of IEO provides a deep understanding of the factors contributing to an individual's success, as well as the individual's role in the success of the firm (Vogelsang, 2015). Contemporary studies of IEO have found that it is a multi-dimensional construct and can be measured using similar elements to firm level EO by modifying how questions are asked (Rauch et al., 2009; Vogelsang, 2015). Therefore, this study has used the five distinct components of EO proposed by Lumpkin and Dess (1996) to measure IEO.

**2.2.1 Innovativeness**

Innovativeness is expressed as a willingness to challenge existing circumstances and support new ideas for developing new products, technological advancement, and internal processes (Baker & Sinkula, 2009). Dess et al. (2011) define innovativeness as a propensity to avoid traditional methods and embrace new techniques and technologies that use resources more efficiently. As Mustafa et al. (2018) suggest, innovativeness is one of the important components of IEO.

**2.2.2 Proactiveness**

Proactiveness is a forward-looking perspective where efforts are made to implement new ideas and market new products before rivals do (Rauch et al., 2009). In addition, proactiveness provides the advantages of the early mover in short term and

frames the competitive environment in the long term (Hughes & Morgan, 2007).

**2.2.3 Risk-taking**

Risk-taking refers to the acceptance of activities that are characterized by dubiety and risk and is manifested in the commitment of resources to enterprises that have uncertain consequences (Dess et al., 2011). Bolton and Lane (2012) define risk-taking as a personal decision to take daring actions and undertake risks in order to gain high returns. It is an individual inclination to take bold rather than thoughtful actions.

**2.2.4 Autonomy**

There is a strong relationship between autonomy and entrepreneurship due to the decisional freedoms it implies (Van Gelderen, 2011). Autonomy is characterized as an inner endorsement of one's actions, meaning that they arise from oneself and are one's own (Deci & Ryan, 2000). Autonomy, as explained by Lumpkin and Dess (1996), is a self-directed effort on the part of an individual or a group in taking forward a thought or an idea and continuing it until realization.

**2.2.5 Competitive aggressiveness**

Researchers Lumpkin and Dess (1996) introduce the notion of competitive aggressiveness as the fifth dimension of EO. Competitive aggressiveness captures the distinct idea of beating competitors to the punch. Competitive aggressiveness, as defined by Ibrahim and Lucky (2014), is the ability of an individual to question and challenge the strategy of their industry rival in a direct and fierce way. As

cited in Lumpkin and Dess (1996), embracing competitive aggressiveness means moving away from traditional methods to compete with industry rivals (Cooper et al., 1986), investigating and targeting opponents' weaknesses (MacMillan & Jones, 1984), and concentrating on product improvement while cautiously considering disposable expenses (Woo & Cooper, 1981).

### 2.2.6 Export intention

Reid (1981) defined export intention as the motivation, behaviour, beliefs and expectations about export contribution to the growth of business. Export marketing literature analysis suggests two interpretations of export intention: the intention of non-export intenders to become exporters (Lim et al., 1991) and the intention of export intenders (Axinn et al., 1994; Reid, 1983). This study focuses on the former explanation, the intention of non-exporters to commence exporting at some future point.

### 2.2.7 Access to finance

Access to finance is the essence of any endeavour, enabling an enterprise to access resources, generate employment, earn profit, operate efficiently, increase productivity and ultimately have good return on investments (Harvie et al., 2013). For MSEs, the availability of finance plays a very important role, as entering foreign markets necessitates considerable resources (Bellone et al., 2010). Thus, this study focuses on access to formal sources of finance, since the lack of access to formal sources of finance can hinder a firm's performance, productivity, and growth. In the case of Nepal, formal sources include those regulated by Nepal Rastra Bank (NRB) such as commercial banks, development banks, finance companies, micro finance companies and some licensed cooperatives, and international financial non-government organizations (Chaulagain, 2015).

## 2.3 Hypothesis development

### 2.3.1 Innovativeness and export intention

A key component of an IEO, innovativeness is a means by which an individual pursues new opportunities. It is through innovativeness that an individual exploits environmental change as an opportunity for new venture creation. Lages et al. (2009), regard innovativeness as a critical determinant of the development of an export market. There is an enormous empirical literature suggesting a strong

positive relationship between innovation and exporting (Roper & Love, 2002). Moreover, from a theoretical perspective, the existing belief is that innovativeness directly affects the probability of starting export activities. Based on the literature review, this research has developed the following hypothesis.

H1: Innovativeness positively influences export intention.

### 2.3.2 Proactiveness and export intention

An entrepreneur's proactiveness has been positively associated with their intention to participate in entrepreneurship (Crant, 1996). As Sciascia et al. (2006) argue, proactive individuals can be expected to commit to observing environmental factors in order to keep abreast of new trends and stay ahead of their rivals. Kazem and Van der Heijden (2006) argue that, in comparison with their conservative counterparts, the probability of developing high value-added products or services for export market is very high among individuals with the proactive trait. As a matter of fact, success in export markets has been associated with individual entrepreneurs seeing foreign markets as an opportunity and their proactive pursuit of such markets (Stevenson & Jarrillo, 1990). Okpara's (2009) study also concluded that individual owners with high proactive behaviour are more like to start export businesses than entrepreneurs with low proactiveness. Thus, taking the above discussion into consideration, this research hypothesizes as follows:

H2: Proactiveness positively influences export intention.

### 2.3.3 Risk-taking and export intention

Starting any new business involves abundant opportunities along with uncertainty and risks. Researchers affirm that an individual entrepreneur's propensity to take risks is highly associated with his or her intention to establish a new venture. Exporting is generally regarded as riskier than operating in domestic markets merely because changes in political, legal, economic, and socio-cultural factors could lead an enterprise to lose a significant amount of assets and profits (Ahimbisibwe & Abaho, 2013). Typically, it is essential to take more risks when exporting rather than operating a business only within domestic boundaries, as export markets are more diverse and have higher levels of

market uncertainty. Thus, through a review of existing literature, this research hypothesizes that risk-taking positively influences export intention.

H3: Risk-taking positively influences export intention.

### 2.3.4 *Autonomy and export intention*

Autonomy, as argued by various researchers, such as Shane et al. (2003), Van Gelderen and Jansen (2006), Bernstein and Carayannis (2011), and Al-Jubari et al. (2017), is one of the most important drivers of an individual's motivation to start a business. Lange (2010) further mentions that, as autonomy consists of decisional freedom, there exists a very strong association between autonomy and entrepreneurship. Further, Lumpkin et al. (2009) put forward an argument that autonomous behaviour is positively associated with effective knowledge creation, transfer, and application. Hence, individuals with high autonomous behaviour would be more up-to-date about market needs and faster at exploiting opportunities in emerging markets. Thus, based on this discussion, this research hypothesizes that autonomy positively influences export intention.

H4: Autonomy positively influences export intention.

### 2.3.5 *Competitive aggressiveness and export intention*

Competitive aggressiveness has not been studied as often in EO literature, as it is not one of original dimensions of EO. Research has often treated competitive aggressiveness and proactiveness as if they were similar, although they are distinct concepts (Lumpkin & Dess, 2001). However, Chen and Hambrick (1995) argue that competitively aggressive behaviour is important for those who seek to enter new markets and/or to excel in a hostile business environment. As stated by Lechner and Gudmundsson (2014), an aggressive stance helps an entrepreneur or firm owner to beat the market competition as it urges them to utilize and develop their primary resources more promptly than competitors and finally to create a safety net for their survival. Based on the available literature this research hypothesizes as follows:

H5: Competitive aggressiveness positively influences export intention.

### 2.3.6 *IEO, export intention and moderating role of access to finance*

Access to finance plays a vital role in determining the expansion and the long-term survival of MSEs as it enable MSEs to undertake productive investments to compete with larger firms (Richard & Mori, 2012). Due to the limited personal and private resources of owners, especially new exporters, the availability of finance plays a vital role when deciding whether to enter a global market (OECD, 2006). Jones and Coviello (2005) state that the availability of financial resources is also one of the factors that stimulate the intention to enter the global market. Similarly, researchers such as Chaney (2016) and Manova (2013) have highlighted the significance of access to finance to participation in international trade. This is because exporting activities involve costs, and these costs will act as a barrier to firms wishing to export if they do not have easy access to finance. Researchers such as Bellone et al. (2010), Bernard et al. (2010), and Kumarasamy and Singh (2017) argue that the chances of venturing into global markets are very high among enterprises that have better access to finance. Hence, we assume that individual farm owners who want to enter the global market require higher liquidity in order to increase productivity, to cover the initial costs, and to support their operating cost, and that they therefore need access to additional external finance. Based on the discussed literature review, this study hypothesizes that access to finance moderates the relationship between IEO and export intention.

H6: Access to finance positively influences export intention.

H7: Access to finance positively moderates the effect of IEO on export intention.

H7a: Access to finance positively moderates the effect of innovativeness on export intention.

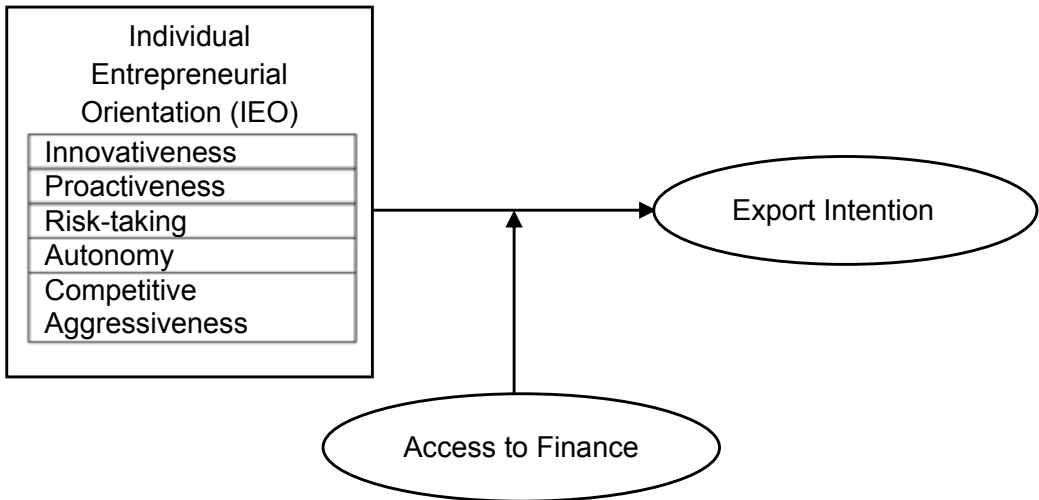
H7b: Access to finance positively moderates the effect of proactiveness on export intention.

H7c: Access to finance positively moderates the effect of risk-taking on export intention.

H7d: Access to finance positively moderates the effect of autonomy on export intention.

H7e: Access to finance positively moderates the effect of competitive aggressiveness on export intention.

Figure 1 Research Framework



Source: Adopted from Koe (2016) and Sibanda et al. (2018)

### 3. Research methodology

#### 3.1 Sample and data collection

The research population for this study encompasses registered agricultural farm owners from Nepal. To collect the sample, this study has used non-probability purposive sampling. In purposive sampling, judgement sampling has been used as a limited number of people have the information that is required. Furthermore, this study determined the sample size of 150 respondents by a rule of thumb of at least five; that is, five times the total number of items used in the questionnaire.

This research employed a closed questionnaire consisting of 27 items to collect data. The questionnaire was divided into two parts. Part 1 consists of four items to collect demographic information. In Part 2, there were 23 items: 10 items from Bolton and Lane (2012) were used to test innovativeness, proactiveness and risk-taking, another 6 items from Hughes and Morgan (2007) were used to measure autonomy and competitive aggressiveness; 3 items from Yang et al. (1992) were used to measure export intention, and another 4 items from Sibanda et al. (2018) were used to measure access to finance. A five-point Likert scale has been used to measure all these constructs.

Before questionnaires were distributed to the respondents, back-translation was done as the original questionnaire was in English and the survey needed to be done in Nepal where the language is different. The questionnaires were printed and distributed to the respondents through personal visits to their farms by the researcher himself. In Nepal, data were collected from Kathmandu, Tokha, Ramkot, Dharmasthali, Gold Dhunga and Jhor.

### 4. Results

As this study used PLS-SEM, a two-step approach was used to analyse the data. The first step, assessment of the outer model, highlights the relationship between a construct and its indicators. As all constructs were measured using reflective indicators, the outer model was weighed by investigating item reliability, convergent validity, and discriminant validity. Reliability of individual items was evaluated by analysing the items' factor loading, where a factor loading value greater than 0.6 was considered reliable (Hair et al., 2017). The evaluation of the items' factor loading found that Risk 1 has a value lower than 0.6, so the item was dropped from the study.

**Table 2 Assessment of Measurement Model**

Variable	Items	Outer Loading	AVE	CR	Cronbach's Alpha
<b>Innovativeness</b>	Inno1	0.713	0.700	0.903	0.856
	Inno2	0.858			
	Inno3	0.905			
	Inno4	0.857			
<b>Proactiveness</b>	Pro1	0.841	0.747	0.898	0.831
	Pro2	0.877			
	Pro3	0.874			
<b>Risk-taking</b>	Risk2	0.908	0.851	0.919	0.826
	Risk3	0.937			
<b>Autonomy</b>	Auto1	0.836	0.739	0.895	0.827
	Auto2	0.874			
	Auto3	0.869			
<b>Competitive Aggressiveness</b>	Comp1	0.919	0.713	0.880	0.810
	Comp2	0.675			
	Comp3	0.916			
<b>Export Intention</b>	EI1	0.795	0.749	0.839	0.830
	EI2	0.921			
	EI3	0.875			
<b>Access to Finance</b>	ATF1	0.603	0.622	0.817	0.790
	ATF2	0.879			
	ATF3	0.786			
	ATF4	0.857			

Source: Authors' calculation

Table 2 also shows that the entire variable fulfils the construct validity and reliability criteria as the value of the Cronbach alpha and the composite reliability of the constructs are higher than the standard (i.e. 0.7). After convergent validity was fulfilled, the discriminant validity was examined by assessing

the Fornell-Larcker criterion. The bold value in diagonal in Table 3 shows that a variable experiences more variance with its related indicators than with any other latent construct. Hence, it shows that discriminant validity has been established.

**Table 3 Fornell-Lacker Criterion**

	ATF	Auto	Comp	EI	Inno	Pro	Risk
ATF	<b>0.788</b>						
Auto	0.419	<b>0.860</b>					
Comp	0.284	0.540	<b>0.844</b>				
EI	0.379	0.406	0.342	<b>0.865</b>			
Inno	0.269	0.495	0.533	0.312	<b>0.837</b>		
Pro	0.471	0.677	0.533	0.291	0.550	<b>0.864</b>	
Risk	0.416	0.712	0.509	0.300	0.494	0.793	<b>0.923</b>

Source: Authors' calculation

After confirming the constructs' reliability and validity, the next step was to examine the inner or

structural model. Before this, however, an assessment of collinearity was done in order to identify

the multicollinearity issues in the structural model. The collinearity issue was examined by considering the inner variance inflation (VIF) value, where a VIF value greater than 3.3 indicates multicollinearity (Diamantopoulos & Sigua, 2006). Table 4 shows that all the VIF correlation values are below 3.3, which indicates that there is no strong indication of multicollinearity.

**Table 4 Collinearity Assessment (Inner VIF value)**

Constructs	EI
ATF	1.335
Auto	2.379
Comp	1.715
EI	-
Inno	1.682
Pro	3.294
Risk	3.295

Source: Authors' calculation

**Table 5 Path Coefficient**

	Sample Mean	P – value	Decision
ATF -> EI	0.263	0.008	Supported
Auto -> EI	0.267	0.026	Supported
Comp -> EI	0.150	0.168	Not Supported
Inno -> EI	0.128	0.254	Not Supported
Pro -> EI	-0.145	0.259	Not Supported
Risk -> EI	-0.057	0.698	Not Supported
Moderating effect Auto -> EI	-0.078	0.260	Not Supported

Source: Authors' calculation

This study applied the GoF index as a complete model fit, which was measured at 0.43, further detailed in Table 6. The GoF index of 0.43 for this study shows that the model fit was satisfactory and that it had considerable predictive power.

**Table 6 Goodness-of-Fit Index Calculation**

Construct	AVE	R <sup>2</sup>
ATF	0.622	
Auto	0.739	
Comp	0.713	
EI	0.749	0.255
Inno	0.700	
Pro	0.747	
Risk	0.851	
Average Value	0.731	
GOF = $\sqrt{AVE \times R^2}$	0.426	

Source: Authors' calculation

To test the hypothesis, bootstrapping has been run with a 5000 bootstrap sample and a 5% confidence level, as suggested by Hair et al. (2017), in Smartpls 3.8. Since this study also employed interaction effect, bootstrapping was run twice. First, bootstrapping was run to test the direct effect for 6 hypotheses without the moderating effect, with the result that only 2 of the 6 hypotheses have been accepted. After that, bootstrapping was run again, this time with the interaction effect on the relationship between autonomy and export intention. As the level of significance in this study is 5%, any hypothesis with a p value less than 0.05 will be supported. The first supported hypothesis proposed that access to finance would positively influence export intention in farm owners ( $\beta = 0.263$ ;  $p < 0.05$ ). The other shows that autonomy significantly influences export intention in farm owners ( $\beta = 0.267$ ;  $p < 0.05$ ). The results are presented in detail in Table 5.

## 5. Discussion

The findings show that access to finance has a significant effect on export intention, supporting the studies of Kumarasamy and Singh (2018), and Kien-drebeogo and Minea (2016), who found that financial constraints significantly decrease the likelihood of starting to export and increases the time firms take before starting to export. Hence, this study shows that a farm with better access to financial services will be more likely to start export activities in the near future, as access to finance will not only diminish the fixed costs involved in the export decision, but also smooth the production process, payment facilitation and risk mitigation. This study also proves that autonomy has a significant effect on export intention among farm owners. Moreover, the findings also affirm the relevance and significance of autonomy as an important dimension of individual entrepreneurial orientation. Overall, the findings



show that individuals with highly autonomous behaviour are more likely to start exporting in the near future, as they are more up to date with market needs and quicker to exploit opportunities due to the decisional freedoms this behaviour entails. However, in the case of the interaction effect, the results show that there is no moderation in the relationship between autonomy and export intention.

On the other hand, the study showed that innovativeness does not significantly influence export intention among Nepalese farm owners. While these findings appear to be less robust than those of existing studies about IEO, they still provide evidence that the relationship between innovativeness and intention to export relies on the size of the enterprises and the nature of the industry. As Palangkaraya (2012) argues, smaller enterprises are more reluctant to innovate in comparison with larger firms due to the costs involved in innovation and its maintenance. The results also disproved the next hypothesis, indicating that proactiveness does not significantly influence export intention. This implies that farm owners in Nepal are not intrinsically motivated to do better in their task and outcomes. They are also not determined to outperform competition by developing new value-added products from their farms and are also unwilling to monitor their customers' needs and preferences.

Likewise, risk-taking does not significantly influence export intention. In the context of Nepal, where domestic demand for agricultural products is so high, farm owners exporting agricultural products are taking a high risk for opportunities that might not guarantee better profit in comparison with the domestic market. Furthermore, as stated by Balabanis and Katsiska (2003), individual propensity to take risks is highly dependent upon the size and age of firms. This study focuses only on micro and small enterprises, which are very small enterprises with limited financial and technical capabilities and resources, and as a result, they have very limited, or in most cases no intention of taking risks. The results also showed that competitive aggressiveness does not significantly influence intention to export. This can be caused by respondents and the location of the study. As the data has been collected from locations close to Kathmandu, which is the capital city and the most populous city in Nepal, demand for agricultural products is very high in Kathmandu in comparison with supply. Therefore, due to this less competitive environment, farm owners have low competitive aggressiveness, as they do not need to

compete to sell their products in the market and, as middlemen are already purchasing their products, they do not need to think about their rivals.

## **6. Conclusion, limitations and recommendations**

### *6.1 Conclusion*

The findings show that farm owners in Nepal are reactive rather than proactive, passive rather than active, and adoptive rather than innovative. In addition, they see international markets as secondary to their domestic market and hence put little effort into searching for information, increasing product quality, and developing their entrepreneurial skills and abilities. Therefore, in the context of Nepal, the researchers have failed to reject the null hypothesis. Furthermore, IEO consists of multi-dimensional constructs, most of which innovativeness, proactiveness, risk-taking, and competitive aggressiveness - were not fully supported by this study; only autonomy positively influenced export intention. Although the study has not been able to support all the hypotheses, the findings from the study provide an opportunity for the government of Nepal to understand the contemporary situation of the entrepreneurial knowledge and capabilities of people engaged in agriculture. As such, it provides the government of Nepal an opportunity to support these people with various entrepreneurship courses and training, specifically focusing on enhancing IEO and export intention.

### *6.2 Limitations and recommendations*

The study examined the issue entirely from the perspective of the agricultural industry, where non-exporting agricultural farm owners were the source for the sample. Thus, the findings of this research might be less relevant to parties in industries other than agriculture. The findings will also be irrelevant in the case of already exporting agricultural farm owners. Data collection was confined to Kathmandu and locations nearby Kathmandu, so the findings could not be generalized to every region of Nepal.

Therefore, it is highly recommended that future researchers carry out similar studies in different contexts, locations and cultures, so that they can address unanswered aspects of this study research problem. Furthermore, future researchers could also contemplate addressing the research framework of this study with different variables, specifically moderating variables.

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