



ENTREPRENEURIAL CAPABILITY AND BUSINESS COMPETITIVENESS

ABSTRACT

This study examined the relationship between entrepreneurial capability and business competitiveness. Innovative capability, risk taking capability, marketing capability and entrepreneurial learning capability were presented as constructs of entrepreneurial capability. A sample of 14 hotels and 78 guest houses was selected from Jinja district and a response rate of 80% was obtained using a quantitative cross sectional survey approach. Data obtained was analyzed using descriptive tests, Pearson's correlation coefficient and regression analysis.

Study results revealed a significant positive relationship between innovative capability and business competitiveness, risk taking capability and business competitiveness, marketing capability and business competitiveness, entrepreneurial learning capability and business competitiveness. There was a significant positive relationship between entrepreneurial capability and business competitiveness.

The results from the regression model showed that innovative capability, risk taking capability, marketing capability and entrepreneurial learning capability are significant predictors of business competitiveness. These constructs of entrepreneurial capability are responsible for 57.2% variation in business competitiveness at the firm level. Therefore hotels and guest houses in Uganda should focus their efforts in developing entrepreneurial capabilities if they are to be competitive.

Future studies should be conducted to test other variables responsible for the 42.8% variation in business competitiveness. For generalization of these results, the study should be replicated in different Ugandan industries.