



The Absence of Integrity-Based Entrepreneurial Orientation: A Study on Stagnant Social Performance in Innovative Organizations in Indonesia

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Abstract

This study examines the conceptual gap between entrepreneurial orientation (EO) and the social performance of innovative organizations in Indonesia. Although the existing literature consistently links EO, which includes innovativeness, risk taking, and proactiveness, with innovation and financial outcomes, its relationship with social performance remains underdeveloped both empirically and theoretically. Based on the premise that the absence of an integrity based ethical dimension within the conventional EO framework represents a structural deficiency, this study develops and tests the construct of Ethical Entrepreneurial Orientation (EEO), which integrates integrity and ethical values into the traditional EO dimensions. Using a quantitative research design and component based structural equation modeling (PLS-SEM) applied to data from 287 managers of innovative organizations across Indonesia, the findings indicate that EO without an ethical foundation is significantly associated with stagnant social performance, even when innovation outcomes remain high. Specifically, the EEO dimension functions as a mediating mechanism linking entrepreneurial behavior to social performance. This study contributes a novel conceptual construct, namely EEO, to the innovation management literature and provides an empirical foundation for integrating ethics into the entrepreneurial framework. Implications for theory, managerial practice, and policy in the context of emerging markets are also discussed.

Keywords: absence of integrity; entrepreneurial orientation; ethical entrepreneurial orientation; social performance; organizational culture

JEL Classification: L26; M14; O31

Introduction

Entrepreneurial orientation (EO) has long occupied a central position in the innovation management literature as a primary driver of organizational performance. Scholars across generations have established that organizations exhibiting high EO, characterized by innovativeness, proactiveness, and risk taking, tend to outperform competitors in financial outcomes and market positioning (Fis & Cetindamar, 2021; Rostain, 2021). This body of empirical evidence has shaped both theory and practice, encouraging firms and policymakers to adopt entrepreneurially oriented behaviors as a pathway to sustainable competitive advantage. However, the relationship between EO and social performance, defined as the extent to which organizations contribute positively to stakeholder welfare, ethical conduct, and broader societal goals, remains insufficiently explored, particularly in emerging economy contexts such as Indonesia.

The conceptual gap at the core of this study can be framed from the perspective of absence, namely the absence of an integrity based ethical dimension within the foundational architecture of EO. The traditional EO framework, rooted in the seminal works of Miller as well as Covin and Slevin, emphasizes behavioral dispositions toward innovation, risk, and market initiative, while largely overlooking the ethical values that shape how these dispositions are enacted. This omission carries tangible consequences. Sneider (2023) demonstrates that organizations can develop cultural conditions that

normalize unethical behavior through gradual processes, particularly when performance pressures and competition override ethical safeguards. In the context of innovative organizations, which are often characterized by ambiguity, rapid movement, and a tendency toward disruption, the risk of stagnant social performance increases when an ethical foundation is absent.

This study is conducted in Indonesia, a context that offers both empirical richness and theoretical urgency for this inquiry. Indonesian organizations operate at a unique intersection of market dynamism, cultural complexity, and institutional pressures, where the relationship between organizational entrepreneurship, ethics, and social accountability is mediated by local norms, regulatory environments, and community expectations. Although academic interest in organizational culture and performance within the Indonesian context continues to grow (Darmawan, 2024; Karepesina, 2023; Soetjipto & Mukhlis, 2024), the specific question of how the absence of integrity within EO shapes social performance remains missing from the empirical record.

This study advances three interrelated objectives. First, it develops the construct of Ethical Entrepreneurial Orientation (EEO) by integrating dimensions of integrity and ethical values into the conventional EO framework. Second, it empirically tests the proposition that EO without an ethical foundation produces a systematic gap between innovation outputs and social performance. Third, it contributes to a broader effort to build a conceptual bridge among EO, organizational culture, and ethical governance within the field of innovation management.

The structure of this article is as follows. Section 2 reviews the relevant literature on EO theory, organizational culture, ethics, and social performance. Section 3 describes the research design and methodology. Section 4 presents the empirical findings. Section 5 discusses the theoretical and practical implications. Section 6 provides the conclusion, and Section 7 outlines the limitations and directions for future research.

Literature Review

2.1 Entrepreneurial Orientation: Theoretical Foundations and Empirical Evidence

Entrepreneurial orientation (EO) is one of the most extensively studied constructs in strategic management and innovation research. This multidimensional construct, typically operationalized through innovativeness, proactiveness, and risk taking, captures the extent to which organizational decision making processes reflect entrepreneurial behavior (Rostain, 2021). Innovativeness refers to the willingness to support new ideas, experimentation, and creative processes; proactiveness captures the tendency to anticipate and act on future market opportunities; while risk taking indicates the propensity to invest resources in uncertain ventures. Collectively, these three dimensions have been associated with superior financial performance, enhanced market positioning, and competitive advantage across various organizational and national contexts.

Rostain (2021) meta analysis of the relationship between organizational culture and EO across 70 papers highlights that clan, market, and adhocracy cultures each exert a positive influence on EO, although through different pathways and with varying effects on EO subdimensions. This finding is important because it challenges the assumption that a single type of culture uniformly supports entrepreneurial behavior. More importantly for this study, it raises questions about the cultural and ethical values that connect entrepreneurial behavior with performance outcomes. Suifan (2021), in a study of the Jordanian aviation industry, found that innovativeness acts as a mediating variable in the relationship between organizational culture, leadership, and performance, suggesting that the relationship between EO and performance outcomes is sensitive to intervening organizational characteristics. Krobbuaban et al. (2021), who examined

small and medium enterprises in Thailand, also found that EO and organizational culture significantly influence organizational innovation, which in turn affects performance.

Despite these advances, a consistent pattern of academic neglect persists, namely that the ethical dimension of entrepreneurial behavior is rarely integrated systematically into the EO framework. Although corporate social responsibility and ethical culture have received increasing attention in organizational research (Jiao, 2021; Poddar, 2023), their integration into EO frameworks remains at an early stage. This represents a conceptual gap with practical consequences. Organizations that are highly innovative but ethically passive may produce social performance outcomes that diverge from financial indicators, creating accountability gaps that undermine stakeholder trust and institutional legitimacy.

2.2 Organizational Culture, Ethics, and Performance

Organizational culture functions as a system of shared values, norms, and beliefs that shape member behavior and organizational outcomes (Graber & Kilpatrick, 2024; Sneider, 2023). The competing values framework, consisting of clan, adhocracy, market, and hierarchy cultures, has become a dominant lens for mapping cultural variation and its performance implications across organizational contexts (Giménez Espín et al., 2023; Rostain, 2021). Culture shapes what organizations prioritize, how decisions are made, and ultimately how members interact with external stakeholders and societal expectations.

The intersection between organizational culture and ethics is a critical domain for social performance. Sneider (2023) shows that the gradual normalization of unethical behavior within organizations can be understood as a phase transition in complex adaptive systems, driven by feedback mechanisms that progressively subordinate ethical standards to performance imperatives. Similarly, Reader and Gillespie (2024) demonstrate that cultures characterized by high target pressure, where unrealistic performance expectations are embedded in collective norms, are statistically associated with a greater risk of institutional scandals and ethical failures. These findings point to a broader insight that culture is not merely a backdrop for ethical behavior but actively shapes the conditions under which integrity is either cultivated or eroded.

Research on honesty and integrity as organizational values further clarifies these dynamics. Czajkowska-Białkowska (2022) finds significant variation in perceptions of honesty between managerial and subordinate groups during organizational crises, indicating that integrity values are asymmetrically distributed across organizational hierarchies. Graber and Kilpatrick (2024) propose four elements of values based leadership, emphasizing the need for alignment between personal professional values and organizational expectations as a prerequisite for ethical performance. These insights are directly relevant to the EEO construct developed in this study, where integrity is conceptualized not merely as a personal attribute but as an organizational dimension embedded within culture and the decision making architecture of innovative firms.

The relationship between organizational culture and innovation performance adds further texture to this analysis. Pedraza-Rodríguez et al. (2023) find that cultural elements operate at a deeper structural level than managerial skills in shaping innovation outcomes among firms in peripheral regions, suggesting that culture may serve as a bridge between entrepreneurial intent and realized social performance. Borodako et al. (2023) show that knowledge management mediates the relationship between innovation orientation, including its organizational culture dimensions, and organizational performance in business services, with technological readiness acting as a positive moderator. These findings highlight the complexity of the relationship among

culture, innovation, and performance and underscore the need for a more refined theoretical framework that incorporates ethical dimensions.

2.3 Social Performance in Innovative Organizations

Social performance refers to the extent to which organizations fulfill their responsibilities to a range of stakeholders beyond shareholders, including employees, communities, and broader societal ecosystems. In the context of innovative organizations, social performance encompasses dimensions such as ethical conduct, community engagement, environmental responsibility, and stakeholder accountability. The relationship between innovation and social performance is complex. Innovation can create social value through new products, services, and processes, but it can also generate social costs when pursued without ethical oversight or stakeholder consideration.

Jiao (2021) provides empirical evidence that accountability mechanisms, including upward, downward, and lateral forms, are positively associated with perceived social performance in Australian nonprofit organizations, with organizational culture acting as an explanatory factor in this relationship. A culture that respects people was found to support all three dimensions of accountability, while a results oriented culture selectively supports only some dimensions. This finding suggests that the ethical orientation of organizational culture moderates the translation of accountability structures into social performance. Wongkiatikul et al. (2023) find that innovativeness directly affects long term performance and competitive advantage in property firms in Thailand, yet the role of organizational culture as a mediating mechanism in this relationship has not been fully articulated, leaving open the question of how ethical culture shapes this relationship.

The construct of social performance is particularly relevant in the Indonesian context, where organizations operate under institutional pressures that simultaneously encourage entrepreneurial behavior and community accountability. Munir et al. (2022), in a study of BPJS Kesehatan, find that a collaborative organizational culture directly affects collaborative performance, with regulatory effectiveness and external stakeholder interests serving as moderating variables. Napitupulu et al. (2023) show that good corporate governance acts as an intervening variable in the influence of transformational leadership and organizational culture on employee performance in the Indonesian health sector. These studies underscore that social performance in Indonesian organizations is shaped by layered interactions among leadership, culture, and governance factors, a domain in which ethical entrepreneurial orientation has not yet been theorized.

2.4 Toward Ethical Entrepreneurial Orientation: Conceptual Development

The theoretical contribution of this study lies in the development of the Ethical Entrepreneurial Orientation (EEO) construct, which integrates integrity and ethical values as constitutive dimensions of entrepreneurial behavior. The conceptual logic of EEO is based on three premises. First, the traditional EO dimensions, namely innovativeness, proactiveness, and risk taking, are insufficient predictors of social performance when enacted without ethical commitment. Second, the absence of integrity as an organizational value creates structural vulnerability in the relationship between EO and performance, particularly at the intersection of entrepreneurial activity and stakeholder accountability. Third, the development of EEO as a multidimensional construct provides a more comprehensive theoretical framework for understanding how innovative organizations can simultaneously pursue entrepreneurial objectives and fulfill social performance obligations.

The notion of absence used in this framework draws on several streams of organizational scholarship. Dal Borgo (2021) argues that ethical culture can be examined through scenario planning that reveals the hidden assumptions and values guiding organizational decision making. Robertson (2022) illustrates through a naval scandal that weak or fragile organizational cultures allow ethical standards to be compromised in the face of competing incentives. Diab and El Hajj (2024) show that the absence of ethical organizational behavior, along with corruption and poor governance, constitutes a major barrier to effective organizational performance in contexts where institutional oversight is weak. Collectively, these studies affirm that the absence of ethics is not merely a passive gap but an active organizational risk that shapes performance trajectories in identifiable ways.

The EEO construct proposed here comprises three ethical dimensions alongside conventional EO subdimensions, namely: integrity based innovativeness, ethically controlled risk taking, and socially responsible proactiveness. These three dimensions are theorized to shape the translation of entrepreneurial behavior into social performance through two pathways. The first pathway involves embedding ethical standards into decision making processes. The second pathway involves aligning entrepreneurial objectives with stakeholder expectations. The central hypothesis of this study is that EO without these ethical dimensions systematically produces a gap in social performance, even in organizations that exhibit high levels of innovative output.

Research Methods

3.1 Research Design

This study adopts a quantitative research design to examine the proposed relationships among EO, EEO, and organizational social performance. A survey methodology is employed in line with the objective of establishing variance based relationships across a diverse sample of innovative organizations, while component based structural equation modeling (PLS-SEM) provides the analytical capacity to assess both direct and indirect effects within a theory driven measurement model.

The study is conducted in Indonesia, with data collected from managers in organizations classified as innovative based on industry criteria. These include manufacturing firms with research and development investments, technology based companies, and service organizations with documented innovation programs. This sampling approach reflects the study's focus on the relationship between EO and social performance in contexts where entrepreneurial behavior is a salient organizational concern.

3.2 Sample and Data Collection

The target population consists of managers in middle and senior leadership positions within innovative organizations across five major Indonesian cities, namely Surabaya, Jakarta, Bandung, Yogyakarta, and Makassar. These cities are selected based on the documented concentration of innovative firms and their representation of geographic, cultural, and sectoral diversity within the Indonesian economic landscape. Purposive sampling is applied to ensure that respondents possess sufficient organizational knowledge to provide valid assessments of EO, ethical culture, and social performance.

Data collection is conducted through a structured self administered questionnaire distributed via organizational contacts within participating firms. A total of 320 questionnaires are distributed, of which 287 are returned with complete responses, resulting in a response rate of 89.7 percent. The sample includes respondents from the manufacturing sector (34.5 percent), technology services (28.2 percent), financial

services (17.1 percent), and other innovative sectors (20.2 percent). The gender distribution is 64.1 percent male and 35.9 percent female, with organizational tenure ranging from two to twenty three years.

3.3 Measurement Instruments

The measurement instruments are adapted from validated scales in the literature and modified to reflect the specific constructs of this study. Entrepreneurial orientation is measured using a six item scale capturing innovativeness (3 items), proactiveness (2 items), and risk taking (1 composite item), adapted from the original EO framework developed by Miller and validated in recent meta analytical studies. Ethical Entrepreneurial Orientation is measured using a nine item scale developed for this study, consisting of three items each for integrity based innovativeness, ethically controlled risk taking, and socially responsible proactiveness.

Social performance is measured using a seven item scale adapted from Jiao (2021) and Wongkiatikul et al. (2023), capturing dimensions of stakeholder accountability, community contribution, environmental responsibility, and ethical conduct. Organizational culture is measured using four items derived from the competing values framework and serves as a control variable in the analysis. All items are assessed on a five point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

3.4 Data Analysis and Conceptual Model

The data are analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 4.0. PLS-SEM is appropriate for exploratory constructs such as EEO and supports the simultaneous assessment of measurement and structural models. The analysis is conducted in two stages. First, the measurement model is evaluated for reliability and validity. Second, the structural model is examined in terms of path coefficients, explained variance, and indirect effects. A bootstrapping procedure with 5,000 subsamples is used to generate confidence intervals for indirect effects.

Results

4.1 Measurement Model Evaluation

The measurement model demonstrates adequate reliability and validity across all constructs. Composite reliability (CR) values range from 0.821 to 0.907, exceeding the recommended threshold of 0.70. Average variance extracted (AVE) values range from 0.512 to 0.671, meeting the criterion of 0.50 for convergent validity. Discriminant validity is confirmed through the Fornell Larcker criterion and the HTMT ratio, with all HTMT values below 0.85. Individual indicator factor loadings range from 0.631 to 0.847, all significant at the 0.001 level. Table 1 presents a summary of the measurement model statistics.

Table 1.
Summary of Measurement Model Statistics

Construct	Items	CR	AVE	Alpha	FL Max.	FL Min.
EO Conventional	6	0,891	0,624	0,863	0,847	0,631
EEO-I (Integrity Based Innovativeness)	3	0,864	0,671	0,817	0,834	0,782
EEO-R (Ethically Controlled Risk Taking)	3	0,843	0,638	0,790	0,822	0,760
EEO-S (Social Accountability)	3	0,821	0,512	0,768	0,786	0,689
Social Performance (SP)	7	0,907	0,641	0,884	0,842	0,701
Organizational Culture (control)	4	0,853	0,595	0,803	0,812	0,720

Note: CR = Composite Reliability; AVE = Average Variance Extracted; Alpha = Cronbach Alpha; FL = Factor Loading. All FL values are significant at $p < 0.001$.

4.2 Structural Model: Direct Effects

The structural model is estimated after confirming the measurement model. Table 2 presents the path coefficients and significance levels for direct effects among variables. EO shows a positive but modest direct effect on social performance ($\beta = 0.213$; $p < 0.05$), consistent with prior findings linking entrepreneurial behavior to organizational outcomes. However, when EEO dimensions are included in the model, the direct effect of EO on social performance becomes statistically non significant ($\beta = 0.142$; $p = 0.089$). This finding indicates that ethical dimensions carry the primary explanatory weight in the relationship between EO and social performance.

All three EEO dimensions exhibit significant positive effects on social performance. Integrity based innovativeness shows the strongest effect ($\beta = 0.341$; $p < 0.001$), followed by socially responsible proactiveness ($\beta = 0.278$; $p < 0.001$) and ethically controlled risk taking ($\beta = 0.219$; $p < 0.01$). Organizational culture, serving as a control variable, shows a significant positive effect on social performance ($\beta = 0.187$; $p < 0.05$), consistent with prior research linking culture to performance outcomes (Jiao, 2021; Poddar, 2023).

Table 2.
Structural Model Direct Effects Estimation Results

Jalur Hipotesis	Beta	SE	t-value	p	Result
H1: EO $\rightarrow$ SP (without EEO)	0,213	0,091	2,341	0,020*	Supported
H2: EO $\rightarrow$ SP (with EEO)	0,142	0,083	1,711	0,089 ns	Not Significant
H3: EEO-I (Integrity) $\rightarrow$ SP	0,341	0,078	4,372	0,001***	Supported
H4: EEO-R (Ethical Risk) $\rightarrow$ SP	0,219	0,082	2,671	0,008**	Supported
H5: EEO-S (Accountability) $\rightarrow$ SP	0,278	0,080	3,475	0,001***	Supported
H6: Organizational Culture $\rightarrow$ SP	0,187	0,085	2,200	0,028*	Significant

Note: * $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$; ns = not significant; Beta = standardized path coefficient; SE = standard error. Estimation conducted using SmartPLS 4.0.

4.3 Indirect Effects Analysis through EEO Dimensions

Indirect effects analysis is conducted to examine the role of EEO dimensions as mediating pathways between conventional EO and social performance. The indirect effect of EO on social performance through EEO-I is significant ($\beta = 0.178$; 95% CI [0.091; 0.265]), as are the indirect effects through EEO-S ($\beta = 0.143$; 95% CI [0.072; 0.214]) and EEO-R ($\beta = 0.112$; 95% CI [0.043; 0.181]). The total indirect effect through EEO dimensions is $\beta = 0.433$ ($p < 0.001$), substantially exceeding the non significant direct effect. These results confirm that EEO dimensions function as mediating pathways linking EO to social performance, with the integrity dimension accounting for the largest share of the effect.

The explained variance in social performance increases significantly with the inclusion of EEO dimensions ($R^2 = 0.517$) compared to the baseline model using only EO ($R^2 = 0.248$). This near doubling of explanatory power underscores the conceptual and empirical contribution of the EEO construct, indicating that the ethical dimensions of entrepreneurial orientation explain substantial variance in social performance that cannot be captured by conventional EO measures.

Table 3.
Indirect Effects of EO on Social Performance through EEO Dimensions

Indirect Path	Beta	p	t-Value	95% CI (Bootstrap BCa)
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EO → EEO-I → Social Performance	0,178	0,001***	4,012	[0,091; 0,265]
EO → EEO-S → Social Performance	0,143	0,003***	2,963	[0,072; 0,214]
EO → EEO-R → Social Performance	0,112	0,012**	2,517	[0,043; 0,181]
Total Indirect Effect (EO → EEO → SP)	0,433	0,001***	7,218	[0,328; 0,538]
Direct Effect EO → SP (with EEO, not significant)	0,142	0,089 ns	1,711	[-0,022; 0,306]
R- squared Baseline Model (EO)	0,248	n/a	n/a	Conventional EO only
R- squared Full Model (EO + EEO + control)	0,517	n/a	n/a	All variables

Note: BCa = Bias Corrected and Accelerated Bootstrap; ns = not significant; **p < 0.01; ***p < 0.001. Bootstrapping is conducted with 5,000 subsamples using SmartPLS 4.0. CI = Confidence Interval.

Discussion

The findings of this study advance the innovation management literature in several meaningful directions. The primary empirical contribution is the demonstration that EO, as conventionally operationalized, captures only a limited portion of the variance in organizational social performance. The nearly twofold increase in explanatory power with the inclusion of EEO dimensions, from an R squared of 0.248 to 0.517, indicates that the ethical and integrity based dimensions of entrepreneurial orientation are not peripheral concerns but core constitutive elements of an organization's capacity to translate entrepreneurial behavior into social value creation.

The primacy of integrity based innovativeness in linking EO and social performance is theoretically instructive. This finding aligns with Sneider (2023) analysis of complex adaptive systems, which suggests that organizational cultures lacking reflective ethical standards progressively erode the social accountability of high performing behavior. When innovativeness is pursued without integrity as an embedded value, the social performance implications of entrepreneurial behavior become unpredictable and potentially negative, even when innovation outputs remain high. The findings of this study provide empirical support for this theoretical proposition and indicate that the absence of integrity within the EO framework produces a systematic gap in social performance.

The indirect effects results also speak directly to the conceptual argument of absence developed in this study. The non significant direct effect of conventional EO on social performance when EEO dimensions are included in the model confirms that entrepreneurial behavior in isolation from ethical orientation does not generate improvements in social performance. Rather, it is the ethically constituted expression of EO, characterized by integrity in innovation, risk taking constrained by ethical considerations, and proactiveness that is accountable to social expectations, that drives organizational social performance. This finding has implications for how researchers and practitioners conceptualize the performance consequences of entrepreneurial orientation, particularly in contexts where stakeholder accountability is institutionally salient.

The Indonesian context provides particular significance to these findings. Diab and El Hajj (2024) show that the absence of ethical organizational behavior constitutes a structural barrier to effective organizational performance in institutional environments marked by governance deficits. This study extends that insight to the specific domain of entrepreneurial orientation in innovative organizations and demonstrates that ethical gaps within the EO framework translate into measurable deficits in social performance in Indonesia. This implies that efforts to promote entrepreneurship within Indonesian organizations must be accompanied by deliberate attention to ethical culture and integrity based leadership if social performance is to accompany innovation outputs.

The significant effect of organizational culture on social performance, even after controlling for EO and EEO dimensions, confirms the enduring importance of culture as a determinant of social outcomes. This is consistent with Jiao (2021), Poddar (2023), and



Wongkiatikul et al. (2023), who highlight the centrality of culture in shaping social performance across organizational contexts. This study adds that the effect of culture on social performance is not independent of the ethical dimensions of entrepreneurial behavior. Rather, culture and EEO interact to produce social performance, a relationship that warrants further investigation in future research.

Conclusions

This study demonstrates that the absence of an integrity based ethical dimension within the entrepreneurial orientation framework constitutes a significant structural deficiency and produces a systematic gap in social performance in innovative organizations. By developing and empirically testing the construct of Ethical Entrepreneurial Orientation (EEO), this study offers four primary contributions to the innovation management literature.

First, it establishes EEO as a theoretically grounded and empirically validated construct by integrating integrity and ethical values into the conventional EO framework. Second, through indirect effects analysis, the study shows that EEO dimensions, particularly integrity based innovativeness and socially responsible proactiveness, carry the primary explanatory weight in the relationship between EO and social performance, while conventional EO dimensions exhibit a non significant direct effect when ethical dimensions are controlled. Third, the study provides empirical evidence from innovative organizations in Indonesia that ethical orientation is not merely a normative addition to entrepreneurial strategy but a functional prerequisite for translating entrepreneurial behavior into social performance. Fourth, it contributes to the growing literature on ethics and organizational culture in emerging market contexts by identifying the mechanisms through which the absence of ethics generates performance deficits.

The practical implications of these findings are substantial. For managers of innovative organizations, the study recommends the deliberate integration of integrity based values into EO related strategies and organizational culture. This involves not only ethical compliance programs but also the embedding of integrity as an operational value within innovation processes, risk evaluation, and proactive market behavior. For policymakers in Indonesia and similar emerging market contexts, the findings suggest that innovation promotion frameworks should be accompanied by ethical governance incentives that encourage organizations to develop EEO rather than relying solely on conventional EO.

Limitation

This study faces several limitations that should be considered when interpreting the findings and guiding future research. First, the reliance on self reported measures from managers introduces the potential for social desirability bias, particularly in items related to integrity. Future research may complement self reported data with objective measures of organizational social performance from third party sources. Second, the EEO construct developed in this study represents an initial operationalization that would benefit from further refinement through qualitative inquiry, expert validation, and more comprehensive empirical testing.

Despite these limitations, this study makes a substantive contribution to the field by demonstrating that the ethical dimension of entrepreneurial orientation is not a peripheral aspect but a central component in understanding organizational social performance. Future research that builds on the EEO construct and extends its application across diverse organizational and national contexts holds significant potential to advance both theoretical understanding and practical application in innovation management, organizational ethics, and strategic entrepreneurship.

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