

Exploration, exploitation, or ambidexterity. Resource factors for strategy choice in small and medium-sized ICT companies.

Abstract

In an era of dynamic technological advancements, small and medium-sized enterprises (SMEs) from ICT sector play a pivotal role. In this rapidly changing context, gaining a profound understanding of these SMEs' strategic decisions is paramount. These strategic choices serve as the guiding principles that navigate these enterprises to achieving companies' goals. They dictate how these SMEs respond to challenges, seize opportunities, and position themselves in the market. However, it is crucial to recognize that these strategic choices do not occur in isolation. They are intricately intertwined with the resources, their types and attributes. Therefore, comprehending the interplay between these strategic choices and the underlying resources is significant, especially from the performance perspective.

The ICT sector has experienced remarkable growth in recent years, with SMEs making substantial contributions to this expansion. However, a noticeable gap exists concerning how these SMEs align their strategies with available resources to prosper in this rapidly evolving sector. This study focuses on the influence of resource-related factors on SMEs' strategic decisions to provide a comprehensive understanding of these relations. The thesis aims to investigate the strategic choices of ICT SMEs in Poland on their resource conditions including a critical evaluation and categorisation the predominant strategies, i.e. exploration, exploitation, or ambidexterity, an identification of resource configurations through attributes like value, rareness, inimitability, organisation, slack, and interdependence, and their impact on the strategic choices of these SMEs, an analysis and assessment the moderating role of resources types in relationship between resource attributes and strategic choice as well as an assessment of firms' performance in the context of strategic choice and resource conditions.

In the study, a literature review was conducted using desk research, complemented by a systematic literature review, to formulate 13 hypotheses. The empirical research was conducted using the survey method and CAWI technique. The research tool was a questionnaire, mainly leveraging a 5-point Likert scale. Respondents were owners or top managers responsible for strategic decisions. The sample included 257 ICT enterprises operating in Poland. Quantitative data was analysed using statistical instruments, especially structural equation modeling (SEM).

The research revealed that SMEs in the ICT sector attach significant importance to strategic choices such as exploration and exploitation, and ambidexterity. However, their approach to achieving ambidexterity varies. Among resource attributes, the value and slack of resources were found to have a notable impact on SMEs' strategic choices. Financial slack, in particular, had a positive influence on both exploration and exploitation. Human, organizational, and intellectual resources emerged as significant moderators in the relationship between resource attributes and strategic choices. Furthermore, the study demonstrated that strategic choices related to exploration, exploitation, and ambidexterity directly affect the performance of ICT SMEs in Poland. Balancing these strategies was found to be crucial for attaining competitive advantages and achieving growth.

This dissertation consists of five chapters including theoretical, methodological and empirical ones. The first chapter discusses characteristics of ICT sector and the pivotal role of SMEs. The second chapter delves into exploration, exploitation, and ambidexterity strategies, emphasizing their significance within ICT SMEs. In the third chapter, resource-centric theories are explored in depth, offering insights into how resources influence strategic choices in the dynamic ICT sector. Chapter four outlines the research framework and methods, ensuring data validity and reliability. Finally, chapter five presents ICT SMEs' strategic choices, considering the interplay between resources, strategies, and performance. The conclusion presents a comprehensive view of insights and takeaways, both theoretical and practical, garnered throughout the dissertation as well as limitations and further directions of research.

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