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# How Dynamic Managerial Capabilities, Entrepreneurial Orientation, and Operational Capabilities Impact Microenterprises' Global Performance

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**Abstract:** Microenterprises' internal capability landscape and how it relates to the firms' global performance (GP) is sparsely studied and understood. Discrete relationships between a capability and GP may have some empirical evidence, but how microenterprises' capabilities quantitatively relate to each other and together to GP still had no answer. Our model investigates the impact of dynamic managerial capabilities (DMCs) and entrepreneurial orientation (EO) on operational capabilities (OCs), and of those on GP, moderated by competitive intensity (CI). The data were acquired in a survey by questionnaire to 402 Portuguese microenterprises and treated using covariance-based structural equation modeling. We confirm that DMCs and EO have a positive, statistically significant, and substantive impact on OCs, explaining over half its variance, where any relation to GP is fully mediated by OCs. Furthermore, we found that OCs hold a positive, statistically significant, and substantive impact on GP, explaining nearly a quarter of its variance. CI as a moderator, with a marginal effects analysis, shows limited significance in a short range of values and never any substantive significance. Our results highlight that, for a healthy microenterprise business ecosystem, a great deal of attention and capacitation must be given to microenterprises' managers, specifically their DMCs, EO, and, eventually, OCs.

**Keywords:** dynamic managerial capabilities; operational capabilities; entrepreneurial orientation; microenterprises; global performance; competitive intensity



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## 1. Introduction

Organizational capabilities have an undeniable importance towards firm performance [1,2]. Many conceptualizations of organizational capabilities, be them operational [3], dynamic [4], or beyond dynamic [5,6], exist and these are not independent of each other and the characteristics of the firm [1]. Dynamic capabilities (DCs) affect the firm's resource base [4,7], operational capabilities (OCs) included [3], generating valuable, rare, hard to imitate, organized (VRIO) resources [8], in principle, more relevant to firm performance when high degrees of competitive intensity (CI) are present [9]. Well understood to have relevant outcomes regarding firm's performance as well are the orientations of the managers within the firm, their entrepreneurial orientation (EO) being of key importance [10,11]. Simultaneously, microenterprises are a relevant constituent of the business landscape of many economies [12–14].

However, focused research on microenterprises' capabilities is sparse regarding DCs, firm/manager orientations (e.g., market, learning, and entrepreneurial), and particularly the interaction between capabilities of different orders [5,15,16], such as the interaction DCs/OCs. This contrasts, with no substantive argument, with the expansive organizational capability research regarding small and medium enterprises (SMEs) [17]. Microenterprises have different characteristics than SMEs [18] and are of vital importance to many national business systems and economies [19–22]. Capabilities have a heightened importance for

SMEs and MNEs [1]; microenterprises have firm capabilities as well [16,23], even if they cannot be conceptualized in the same manner. They are also likely to have few resources, let alone resources with VRIO characteristics [8,18] from which to draw their competitive advantage. Given the applicability of the capability constructs is ensured, the research of microenterprises' capability ecosystem is then of vital importance. With microenterprises as a capillary and pervasive network within many business systems [19–21,24], a clearer understanding of microenterprises' capabilities and their relation to each other, and, ultimately, the global performance (GP) of the firm is paramount to ensure microenterprises' sustainability and development.

The purpose of this paper is to gain an understanding of the interactions between DCs, EO and OCs in microenterprises, and their GP, with consideration of the competitive intensity (CI) under which the firm operates. This was conducted using the DC of dynamic managerial capabilities (DMCs), EO, and the OCs of marketing capability and management capability, applying for the first time a multi-tiered capability framework to the reality of microenterprises. The data were obtained through a survey by questionnaire of 402 Portuguese microenterprises of diverse industries in the summer of 2022.

We keep these constructs at their highest conceptual level so as to fit the overall simple organizational structure of microenterprises (i.e., DMC, EO, and OC as operational variables) and a broad industrial spectrum. Our results show that OCs are indeed strongly related to GP and that EO and DMCs strongly antecede OCs, in line with their theoretical formulation [3,25,26]. However, CI is not a significant moderator in any relationship with GP, at any level of CI, determined through a marginal effects analysis [27–29]. Finally, the DMC's and EO's relationships with GP are entirely mediated by OCs. While in line with their theoretical origins [25,26], these findings present themselves as shedding light on a reasonable simplification [1,29]: that DMC and/or EO would be directly related to GP. These findings have profound implications for further research and managerial practice, as well as the allocation of resources by microenterprises. Additionally, they strengthen the theoretical DC, EO, and OC connection, where the first two antecede the latter, further highlighting the organizational distinctiveness of microenterprises [16].

The COVID-19 pandemic highlighted the importance of sound national business systems [22] and resilient businesses [30], and of a key actor within them, microenterprises [14]. By being carried out in the summer of 2022, it takes place after the more acute shock of the COVID-19 pandemic, which had strong implications for businesses in Portugal [31], microenterprises often being the businesses that more greatly suffered [15]. It highlighted the need for business resilience, as well as an informational necessity of understanding in better depth the capability ecosystem of microenterprises, so that they have adequate resources not only to ensure their day-to-day operations, but also to adapt on unforeseen, and perhaps even unforeseeable, crises and/or catastrophes [31].

In the next section, we will develop a review of the literature, while formulating the relevant hypothesis. After, we will detail the methodology, present our results, discuss them, and conclude, leaving room to discuss future avenues of research, as well as practical implications.

## 2. Literature Review and Hypothesis

### *2.1. Theoretical Framing*

The resource-based view (RBV) [8,32] holds that firms must hold VRIO resources to maintain a sustained competitive advantage, where even a partial meeting of the VRIO conditions may result, then, in a temporary competitive advantage. The capability-based view (CBV) holds that these resources are likely to be organizational capabilities [3]. This is due to their nontransferable, intangible nature, as well as hard imitability [2,33]. Capabilities, themselves, are defined complex bundles of skills and/or organizational routines [34–36]. The dynamic capability view (DCV) further refines the proposed origin of sustained competitive advantage and holds that these must be DCs, a subset of organizational capabilities, where DCs are capabilities specifically focused on the renewal of the firm's resource base,

OCs included, these being the capabilities focused on the operational, day-to-day activities of the firm [4,36].

Since capabilities must be developed and are idiosyncratic [4,37], they become an important differentiating factor from which microenterprises can draw a source of competitive advantage [16,23]. They are accessible to firms that are not particularly big or capitalized and where the likelihood of the possession of another kind of VRIO resource [8], or even a resource that simply approaches these qualities, is less likely, more so when considering even adequate capitalization is one of microenterprises' main challenges [18], not that their development is without cost [1].

This study primarily follows the perspective of the DCV, taking into consideration DCs as a primary driver of OCs development, together with EO, where orientation does not refer simply to a proclivity towards entrepreneurial action, but, effectively, the taking of entrepreneurial actions [10,11,26]. These connect the renewal efforts into operational competence and evolution, while not neglecting the ultimate relevance of OCs in effectively translating these efforts to GP [25,35,38,39]. The need for the renewal is itself a relevant question [29], which we admit by virtue of testing the moderation of competitive intensity [1,40]. The effects of DCs on GP have a great number of possible moderators, such that the relationship is neither universal nor stable in all situations [1,41–43].

To close the theoretical discussion of this article, an awareness of the upper echelons theory (UET) [44,45] complements this study, due to its relevance towards interpreting DMCs [46]. UET states that managers interpret situations and make decision based on their own personal perspective, their values, opinions, and biases [45]. This theoretical framing is key towards the interpretation of the results of this study because of the organizational limitations of microenterprises [18,46] that have previously hindered the study of capabilities [16]. There are constructs that are not applicable, such as those requiring a given amount of organizational complexity [4]. Microenterprises often have a single decision maker or a single owner–manager–entrepreneur [23,47]. Therefore, much of the analysis of DMCs and management/marketing capabilities will fall on a specific person, where UET becomes a key theoretical lens [46,48]. We use these dual, DCV and UET theoretical lenses, as both are focused on different, non-competing perspectives regarding the firm, each offering valuable insights related to the firm and relevant towards our study.

### *2.2. Dynamic Managerial Capabilities—Human Capital, Social Capital, and Managerial Cognition*

DMCs, a specific type of DCs [7], have been qualitatively confirmed to be adequate to be applied within microenterprises [16,23]. This is due to the DMC focus on the person/group, while not presupposing a complex organizational or management structure, which fits our purposes [16,23]. The issue of applicability of second-ordered capabilities, or DCs [5], to microenterprises is not as straightforward as that of operational capabilities, where we would be concerned with the types of activities/departments/operations of a given type of firm within a given type of industry and, therefore, only need the presence of, broadly speaking, operations of a certain kind that imply routines within them. This question towards DC is natural, due to the less direct, more meta nature of them [5,6].

DMC is commonly measured by three of its microfoundations: human capital (HC), social capital (SC), and managerial cognition (MC), simultaneously considered reflective indicators of its presence [49–52]. Because of the previous contextualization and, theoretically, because of the underlying relation between DCs and OCs, DMC should precede the development of firms' OCs.

To detail the discussion surrounding each of DMCs' microfoundations: MC addresses the quality of the understanding of the firm and its business by the manager/management team, considering emotions, mental models, knowledge structures, and heuristics [49]. In this manner, it ensures the manager's actions and reactions affecting the firm are congruent with the external and internal environments. MC, operating through the manager's subjective point of view [45], influences decisions related to such issues as the perception of market research usefulness [53], internationalization, as well as, broadly, other firm-level

strategic choices, highlighting the bounded rationality of managers [54,55]. Managers that possess a developed MC should be able to better identify what constitutes a worthwhile opportunity, considering the idiosyncrasies of their business [49,56,57].

HC is, here, used in its most widely known form, drawing on Becker's (1964) conceptualization of it. It measures the manager's education, skill set, experience, and knowledge, both specific towards the firm and generic [49]. When considering both HC and MC, our attention might be called to their possible interaction. While not independent of each other, the core distinction is that HC, in this context, is concerned primarily with measuring a broad characteristic of the managers themselves, while MC is much more concerned with a very specific characteristic of the managers in relation to the business [7,49,50]. While they are quite inter-related and are expected to have some degree of interaction (e.g., a manager with a high cognition of his business may attempt to increase their HC by pursuing education in a specific area, relevant to the strategic goals of the firm), the consensus has been that the separation is worthwhile [16,49], as there are enough distinctions between both, and both components are significant enough to be considered on their own as microfoundations of DMC. Managers with a developed HC should be able to interpret incoming information more effectively and to better develop the adequate business strategies and routines to handle said changes [46,58,59].

Finally, SC measures, in this context, the breadth and quality of the relationships the managers have or the amount of goodwill they possess internally within the firm and externally with related parties [49]. When referring to SC, an important clarification may be that we specifically mean both internal SC and external SC. Managers with SC within and outside of the firm should be better able to not only articulate changes to their employees, but also negotiate with suppliers and key customers [56,60,61], better exploit resources [62], capture fleeting opportunities [46], as well as more effectively build networks [63,64]. We know that networks are relevant in several key aspects of the business, such as the capacity for internationalization, innovation, and performance [63,64], and that internal SC is advantageous in developing employee goodwill, facilitating co-ordination efforts, as well as developing a common language, shared norms, and goals [65]. It has been identified, crucially, with capacity building [66], through internal networking and shared goals and values.

Taken together, we can then say that a manager or management team that possesses a high degree of DMCs is better able to adapt and exploit a firm's resources and capabilities, so that they are effective in delivering value and generating performance. That is, they are better able to deliver greater GP both directly and through OCs, through all these mechanisms and complementary mechanisms not identified in these three microfoundations that reflectively indicate DMCs' existence [7,49].

The direct increase in GP may be presupposed by two fundamental mechanisms. The first, fundamentally theoretical, is the true direct effect DMC may have on GP. The second, fundamentally methodological, is the possibility of relevant OCs or other mediators we will not consider [67]. In a multi-industry analysis, for broad applicability, the only OC that may be included are those of an equally broad quality. Yet, in each industry, there are other relevant OCs. Despite our belief of having selected the two most relevant generalist OCs of microenterprises, not precluding the above, parsimony concerns mean that, at the outset, we should expect a direct relation between DMC and GP.

### *2.3. Entrepreneurial Orientation—Innovativeness, Proactiveness, and Risk Taking*

EO [10,68,69] is constituted by the dimensions of innovativeness, proactiveness, and risk taking, being that it measures not only the orientation to take entrepreneurial action, but also the effective entrepreneurial action taking [26]. Innovativeness is related to firms' proclivity and ability to remain on the technological leadership within their area, invest in R&D, effectively innovate in their products, services, and processes, issuing new lines of products and services, and be able to make dramatic changes in them if necessary. Proactiveness is related to firms' ability and proclivity to initiate competitive actions

others must respond to, be the first mover in new products/services, technologies and/or techniques, as well being determined in "undoing the competition". The latter, risk taking, is related to a firms' ability and proclivity to engage in high-risk/high-return projects, take bold and/or high-reaching actions to respond to market and/or environmental pressures or internal goals, to ensure the achievement of the firms' objectives, and, lastly, a bold, aggressive posture to the exploitation of potential opportunities [69].

As OCs are concerned with a firms' routines and their adjustment to the necessary conditions to increase returns and generate a higher GP and competitive advantage, where DMCs are concerned with the capacity of managers to do so [7,23], EO addresses the impetus to take said action and that it effectively takes place, measuring said change actions through these dimensions [69].

While there is some evidence of the relevance of EO within microenterprises' business reality to determine GP, it is limited [20] and does not address either its quantitative relationship with GP or with other capabilities. This is despite considerable literature highlighting this EO, DC, and OC connection towards SMEs [10,70,71], although commonly without the addressal of microentreprises. Considering the volatile and resource-strapped conditions as are typical of microenterprises' reality [18], we should expect these to meaningfully contribute to both the development of environment-fitted OCs, as well as GP.

### *2.4. Operational Capabilities—Marketing and Management Capabilities*

OCs enable "complex bundles of skills and collective learning, exercised through organizational processes, that ensure superior coordination of functional activities" [34] (p. 38). Both marketing and management capabilities have an established positive relation to firms' GP, although the focus on microenterprises is scarce [2,72,73].

Marketing capabilities asses a firm's knowledge of customers, competitors, integration of marketing activities within their operations, ability to segment and target markets, and effectiveness of both pricing and advertising programs. Management capabilities assess a firm's integrated logistics systems, cost control capabilities, financial management skills, human resource management (HRM) capabilities, accuracy of profitability and revenue forecasting, and their marketing planning process [74].

Due to microenterprises often being solely in the hands of an owner–manager–entrepreneur (OME), or at least in a situation where the manager holds a high degree of control over its limited resources, there is a sound deductive and theoretical basis, as well as empirical body of literature, to posit that the OCs of microenterprises are relevant to determining GP, with a positive relation [24,75–77]. The reverse, that OCs would have a negative relation with GP, is not sensible at the outset, except through the diversion of resources from key areas to nonfundamental ones, as capability development carries with it a cost [3]. The base and more reasonable scenario, however, drawing from previous meta-studies [2,78] nevertheless not focused on microenterprises, is that the positive relation to GP holds for OCs.

The OME will apply the microenterprise's limited resources [18] nearly unimpeded [23], be they human, organizational, or capital resources, and with their inherent biases [45]. Just the same, the microenterprise will, generally, not be able to rent–seek out a well-established trademark, copyrighted material, or patents [18,31]. It must, then, chiefly rely on its OCs, of which management and marketing are of universal applicability to directly drive GP.

### *2.5. Competitive Intensity*

Competitive intensity evaluates if competitors can, and proactively do, differentiate themselves, as well as if they have the resources and proclivity to do so [79]. Effectively, then, it assesses the necessity of firms to react and adjust their OCs [1,80,81]. This may come in the form of the need and reward for entrepreneurial action [80,82] or in the need for the renewing effect of DMCs [1,29]. On one hand, we would expect that the existing OCs are not as effective under intense competition, and hence the need for their renewal. However, that should manifest as a perception of the OCs of the firm as being, comparatively, of a

lesser quality. In this way, those that do possess fitting OCs in a competitive, changing market are able to generate GP more effectively, against the opposite comparison, where we are in a very stable competitive landscape [83–85].

Therefore, with the entirety of the literature review above in mind, we formulate the following hypotheses (Figure 1):

**H1.** *Dynamic managerial capabilities have a positive relation with microenterprises' operational capabilities.*

**H2.** *Entrepreneurial orientation has a positive relation with microenterprises' operational capabilities.*

**H3.** *Operational capabilities have a positive relation with microenterprises' global performance.*

**H4.** *Dynamic managerial capabilities have a positive relation with microenterprises' global performance.*

**H5.** *Entrepreneurial orientation has a positive relation with microenterprises' global performance.*

**H6a.** *Competitive intensity positively moderates the DMC/GP relationship.*

**H6b.** *Competitive intensity positively moderates the EO/GP relationship.*

**H6c.** *Competitive intensity positively moderates the OC/GP relationship.*

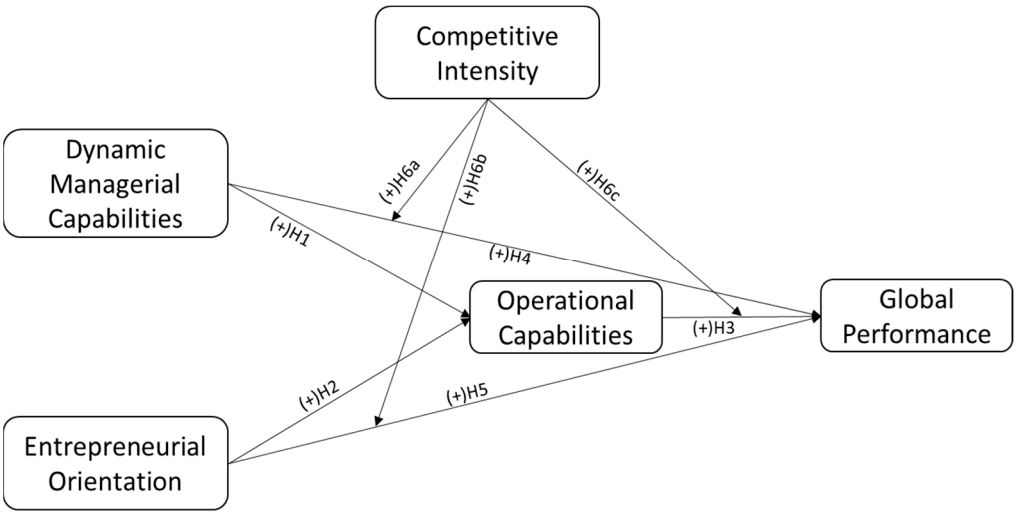


**Figure 1.** Model and hypothesis.

## 3. Methodology

### *3.1. Sample and Data*

To test our model, we collected data from a wide array of Portuguese microenterprises through a survey by questionnaire, having a total of 402 valid responses, which will be treated by covariance-based structural equation modeling (CB-SEM) and path analysis by using SPSS AMOS 28, due to the necessity of incorporating interaction effects. We followed the European Commission's definition of microenterprise, where, to be considered as such, a firm must have less than 10 employees, and turnover and a balance sheet total of less than EUR 2 million [86]. The firm's contacts were obtained through the Orbis Europe database, while control questions were added to filter any firms that may have been misclassified in that original database.

Due to many microenterprise OMEs' not being familiar with terms that may be commonplace within management, the questionnaire was tested with both 3 volunteers that had recently finished an M.Sc. in management, as well as 4 volunteers that had no knowledge of the field, and an expert on it. This, after the translation and back-translation to Portuguese, guaranteed both that the theoretical consistency of the questionnaire items was maintained, as well as that they were correctly understood by the respondents. Furthermore, we pretested the survey, issuing a smaller first invite to the participant firms, evaluating

the first 10 responses, and concluded that there was no substantial feedback that hindered validity of the questionnaire's items [87].

The industrial distribution of the firms is as follows (Table 1):

**Table 1.** Industrial distribution of sample.

| Industry | Number |
|---|---|
| Agriculture, animal production, hunting, and forestry | 19 |
| Accommodation and catering (restaurants and similar) | 14 |
| Financial activities | 28 |
| Real estate activities, rentals, and services | 15 |
| Wholesale and retail, repair of motor vehicles, motorcycles, and personal and household goods | 69 |
| Construction | 78 |
| Education | 6 |
| Extractive Industries | 1 |
| Manufacturing Industries | 68 |
| Other collective service activities | 72 |
| Fishing | 2 |
| Production and distribution of electricity, gas, and water | 4 |
| Health and social action | 14 |
| Transport, storage, and communications | 12 |
| Total | 402 |

### *3.2. Measurement and Variables (Independent, Dependent, Mediating, and Controls)*

We used existing scales to measure the necessary constructs in our model, measuring all with 7-point Likert scales, and GP through a 5-point qualitative scale, from very bad to very good.

To measure DMCs, we used the Subramaniam & Youndt (2005) [88] scale to measure HC and SC, making only a minimal adjustment in order to have a more balanced representation of both external and internal social capital, in order to achieve better consistency with the theoretical conception of the construct [7,49], as well as a single item that was removed due to it not making sense within the microenterprises' reality, regarding interdepartmental communication. To measure the construct of MC we used the Schrauder et al. (2018) [89] scale, keeping in line with previous authors [90].

To measure OCs, we used the Desarbo et al. (2005) [74] scale for both management and marketing capabilities, again keeping with the literature [91–93]. EO was measured through the widely used [94] J. G. Covin & Miller (2014) [69] scale, with items dispersed through innovativeness, risk taking, and proactiveness, originating with J. Covin & Slevin (1989) [95]; Khandwalla (1977) [96] apud J. G. Covin & Miller (2014) [69]; and N. Y. Miller & Friesen (1982)'s [97] scales. CI's items were taken from the Jaworski & Kohli (1993) [79] scale, also widely used [80]. Finally, to measure GP, we used the Cabral & Carvalho (2020) [98] scale, adapted from Jaworski & Kohli (1993) [79], measuring overall performance on the last year, previous three years, and in relation to competitors in the last year. In all items the care was taken to ensure their applicability to microenterprises' reality. Finally, we used firm age and industry as controls regarding GP, as firm size and location were, due to the nature of our study, already quite restricted, where industry was classified as primary, secondary, or tertiary [99]. The items used can be found in Appendix A.

## 4. Results and Analysis

### *4.1. Measures, Reliability, Validity, and Common Method Bias*

Common method variance was controlled with procedural remedies. We guaranteed anonymity, as well as making it clear that no specific answer was better or worse, to decrease social desirability. Furthermore, the questionnaire was partially randomized to decrease proximity effects and structured in small sections and large fonts to reduce fatigue. The inquiry of the independent variables was also separated from that of the dependent

ones, with the controls in between [100,101]. Harman's single-factor test yielded the result that no single factor emerged or explained more than 50% of the variance [102], suggesting common method variance is not an issue.

Table 2 presents the descriptive statistics of the standard deviations, correlations, skewness, kurtosis, variance inflation factors (VIF), construct reliabilities (CR), and average variances extracted (AVE) of the constructs used. As we centered and standardized them, the means are all 0. With VIF values all below 5, CR values above 0.7, and AVE values above 0.5, we conclude that there are no multicollinearity issues, and both reliability and construct validity levels are acceptable [67].

**Table 2.** Descriptive statistics.

| | S.D. | Skewness | Kurtosis | VIF | CR | AVE |
|---|---|---|---|---|---|---|
| EO | 0.575 | 0.003 | −0.134 | 1.752 | 0.954 | 0.873 |
| OC | 0.773 | −0.224 | 0.146 | 2.065 | 0.991 | 0.983 |
| DMC | 0.870 | −0.656 | 0.077 | 2.496 | 0.956 | 0.879 |
| GP | 0.825 | −0.289 | 0.660 | - | 0.882 | 0.714 |

Table 3 shows the correlations between the constructs and the square root of the AVE. As no correlation is larger than the square root of AVE, the Fornell & Larcker's criterion is met, and we also conclude no issues of discriminant validity exist [103].

**Table 3.** Correlations.

| | EO | OC | DMC | GP | Sqrt (AVE) |
|---|---|---|---|---|---|
| EO | - | | | | 0.934 |
| OC | 0.541 | - | | | 0.992 |
| DMC | 0.644 | 0.710 | - | | 0.937 |
| GP | 0.25 | 0.495 | 0.392 | - | 0.845 |

### *4.2. Hypothesis Testing and Model Assessment*

SEM has several relevant benefits, such as the ability to inform on the degree of fit of the tested model; as such, it is one of the preferred causal modeling statistical methods. We developed and validated the measurement model, and then imputed the relevant construct so we could use them in path analysis to test the moderation effects of CI [67]. With a $\chi^2/df$ of 1.925 (<5), a CFI of 0.941 (>0.9), TLI of 0.936 (>0.9), and RMSEA of 0.048 (>0.08), we considered all model fit tests to show adequate results, the respective cutoff values being in brackets [67,104].

We tested three models, from less refined to more refined. The first with all direct and indirect effects and moderation terms. Per the previous literature and to not bias the moderation results, we kept the direct effect of CI to performance, and will to a marginal effect analysis as well [27,105,106]. Likewise, we started with the analysis considering partial mediation [107]. The second model had nonsignificant moderation terms removed, and the later nonsignificant direct terms that were not foundational were removed (that is, those that were only present due to a hypothesized mediation). Further discussion and presentation of the models will enhance clarity on these steps. The standardized coefficients of said models are in Table 4, with *p*-values in brackets or as *** if under 0.001.

**Table 4.** Results.

| Model | Moderation and Partial Mediation | Partial Mediation | Full Mediation |
|---|---|---|---|
| DMC → OC | 0.617 (***) | 0.617 (***) | 0.617 (***) |
| EO → OC | 0.143 (0.002) | 0.143 (0.002) | 0.143 (0.002) |
| OC → GP | 0.485 (***) | 0.442 (***) | 0.492 (***) |
| DMC → GP | 0.162 (0.022) | 0.115 (0.085) | - |
| EO → GP | −0.086 (0.121) | −0.059 (0.288) | - |
| OC_CI → GP | −0.004 (0.949) | - | - |
| DMC_CI → GP | −0.108 (0.161) | - | - |
| EO_CI → GP | 0.109 (0.075) | - | - |
| CI | −0.128 (0.009) | - | - |
| INDUS1 | 0.092 (0.026) | 0.096 (0.023) | 0.098 (0.021) |
| INDUS2 | 0.148 (***) | 0.16 (***) | 0.163 (***) |
| AGE | 0.016 (0.669) | - | - |
| $R^2$ (OC) | 0.516 | 0.516 | 0.516 |
| $R^2$ (GP) | 0.315 | 282 | 0.278 |

*** $p < 0.001$.

Regarding the controls, we can observe that age has no significance. Industry does, where our baseline is the tertiary sector. INDUS1 and INDUS2 are binary variables, being one when the firm is of the primary or secondary sector, respectively. The coefficient signifies the expected change in GP given that a firm is of that sector, in comparison to the baseline of operating in the tertiary sector.

In the first model, we conducted a marginal effects analysis, in this way inquiring as to whether there was a region of competitive intensity in which the moderations showed statistical or substantive significance [27]. All variables are standardized and centered, and the range of values follows the observed values for CI. As Figure 2 shows, while there is clear statistical significance in the marginal effects of the moderation of CI in the OC/GP relationship, there is just as clearly no substantive significance. The entirety of the statistical significance that exists is clearly driven by the high intercept of OC (0.485) and the slope is negligible in the overall effect (−0.004). In the other two cases, observed in Figures 3 and 4, we can observe the opposite phenomena, where we might have just had substantive significance, had there been statistical significance [27]. However, there is not statistical significance other than in a tangential manner between the values of −0.4 and −0.1 in the moderation of CI in the DMC/GP relationship. The interval is small and the area with statistical significance has its highest value of the lower bound as 0.0034. We do not consider that meaningful criteria are met to posit CI as a moderator in the DMC/GP relationship, albeit this brief and tangential statistical significance.

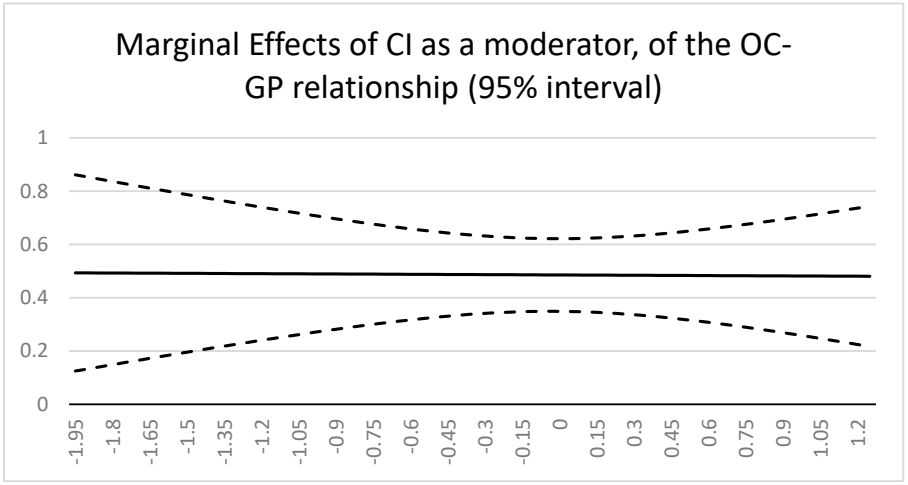


**Figure 2.** Marginal effects of CI as a moderator of the OC–GP relationship with a 95% confidence interval.

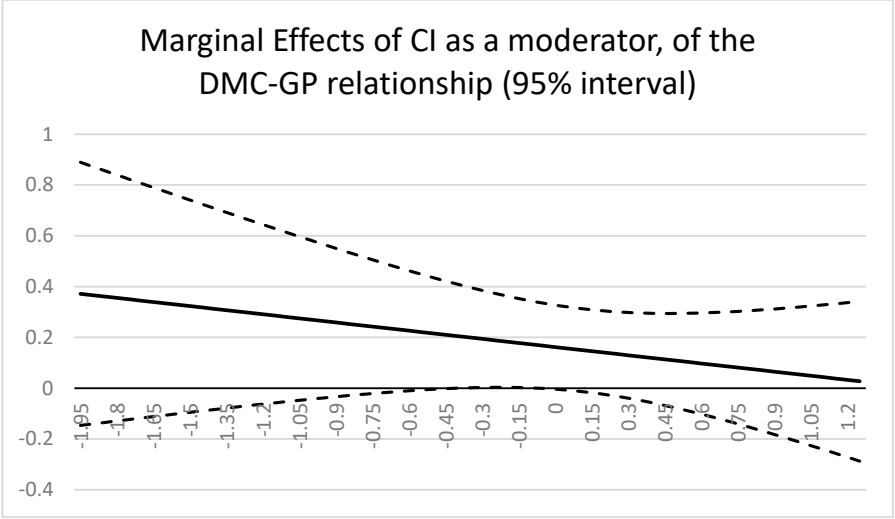


**Figure 3.** Marginal effects of CI as a moderator of the DMC–GP relationship with a 95% confidence interval.

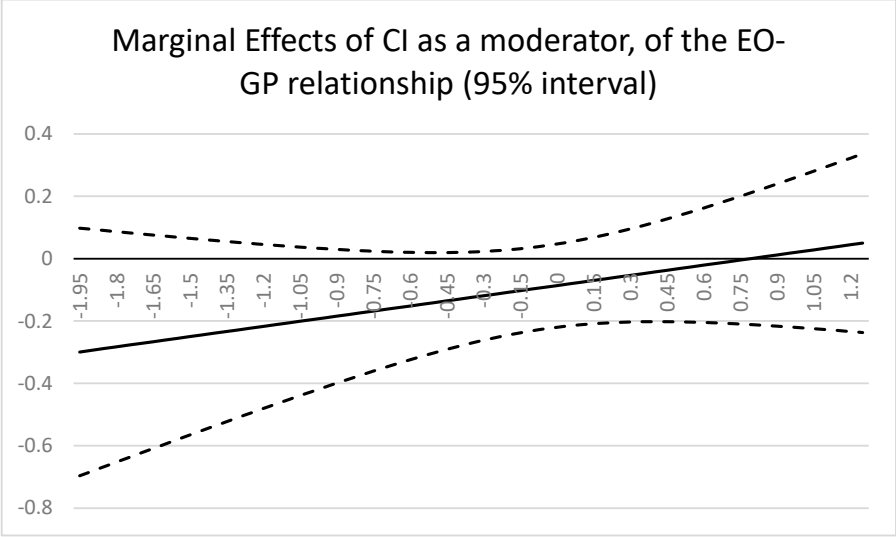


**Figure 4.** Marginal effects of CI as a moderator of the EO–GP relationship with a 95% confidence interval.

The removal of moderation terms was iterative, by order of lowest *p*-value. No statistical significance was detected in any intermediate step. As such, all H6 hypotheses are not confirmed. That is, we do not find evidence that competitive intensity moderates the DMC/GP (H6a), EO/GP (H6b), or OC/GP (H6c) relationships.

Moving onto the analysis of the partial mediation model, as can be seen in Table 4, no direct relationship by mediated variables exists with GP, and we also do not confirm H4 and H5. As such, the same iterative removal took place and no significance was found in the iterative step [107]. We are, then, at the final model, where only full mediation by OCs is considered in the relationship between DMC and EO, and GP.

In all three models, we have a substant $R^2$ astatistical (and we would argue substantive as well) significance of the H1, H2, and H3 relationships. That is, DMCs and EO positively impact OCs, and OCs positively impact GP. The H1 and H3 relationships hold a *p*-value under 1/1000, and H2 a *p*-value of 1/500, present in all three models, strengthening their validity [67,108,109].

Looking at the $R^2$. indicators we encounter that OCs, since they were only ever explained by DMCs and EO, have an $R^2$ of 0.516 in all three models, indicating that over half their variance is explained by these two variables. GP is initially explained by six relationships and two controls, with an $R^2$ of 0.315, and, in the most refined model, by only one, the OC/GP relationship, and one control, industry, with an $R^2$ of 0.278, indicating these explain over a quarter of its variance. The standardized indirect effects of DMC and EO on GP in this most refined model were, respectively, 0.07 and 0.304.

## 5. Discussion and Conclusions

Our study quantitatively assessed a multi-tiered capability framework designed to fit microenterprises of a diverse set of industries, specifically looking at dynamic managerial capabilities (DMCs) and entrepreneurial orientation (EO) as anteceding the development of operational capabilities (OC) in the form of marketing capabilities and management capabilities, testing for the moderation of competitive intensity (CI) in the DMC, EO, and OC relationships to global performance (GP).

The crucial findings our study provides are that DMCs' and EO's relationship to firms' GP is fully mediated by OCs in microenterprises, and that CI was not either a substantive or statistically significant moderator in any of the relationships, even when considering marginal effects [27]. DMCs, in turn, have a preponderant, statistically significant positive impact on OCs. EO is similarly statistically significant and positive in its impact on OCs, together with DMCs, explaining over half of the variance in microenterprises' OCs. OCs, in turn, even in the most refined model and as a single variable explain over a quarter of the variance of enterprises' GP by having, as well, a positive and statistically significant impact on GP. Each of these findings has important implications and relevant consequences not only for future research, but also for the interpretation of previous research and managerial practice in the management, strategic formulation, and analysis of microenterprises.

The context of microenterprises is worth highlighting, because of the differing characteristics these firms have in comparison to larger ones [18], and the specific period in time this study took place. In the microenterprise, the owner–manager–entrepreneur (OME) is likely to play a pivotal role in the firm [23]. Additionally, a complex organizational structure is not present, due to the firm's limited size. We are likely to find considerable financial constraints [75]. At most, a management team is not likely to exceed a couple of people, and this research highlights their pivotal role in determining the GP of the firm. From these results, we can attest that DMCs and EO increase a firm's resiliency, due to significantly more developed OCs, which, in turn, positively relate to GP, particularly considering the common occurrence of financial constraints and due to us dealing with two capabilities falling on the individual, or small group of individuals, managing the microenterprise [19,110,111]. In this way, the upper echelons theory (UET) becomes incredibly relevant for analyzing microenterprises, where any bias and/or limitation of a single individual will propagate drastically through the whole firm [44,45,48].

Regarding environmental context, it is also worth highlighting the consideration that, due to us conducting in the summer of 2022, we may have dealt with some amount of survivorship bias, as we had undergone, since circa March 2020, one of the worst crises to hit microenterprises, originated by the COVID-19 pandemic [31], together with the ongoing war in Ukraine, supply-chain disruptions, and rising concerns with inflation, although the latter were only residual at that point. As such, we only have responses from the firms that, at the very least, survived from the beginning of these disruptions up to the summer of 2022. We know that was not the case for several microenterprises [31]. Yet, what this study shows is that many microenterprises, even under these conditions, performed well. In fact, GP has a slight negative skewness, indicating a slight skewness towards well-performing companies. GP, itself, is a comparative measure, where the respondents are encouraged to rate the GP of their firm in comparison across time and to competitors [98].

On the other hand, with the above in mind, many economies, Portugal's included, were, at this time, subject to a post-pandemic uptick in economic activity, evidenced by the relatively widespread worker shortages, which may also be a factor in this skewness. This uptick is in late 2022 and 2023 expected to abate. As such, our results exist is a very specific and turbulent moment in time. This is very valuable by itself to understand firm behavior and characteristics within these circumstances, but consideration for context should not be overrated. It is also a period where special governmental intervention was implemented regarding SMEs and microenterprises across several nations, generally focused on different forms of financial aid and employment stimulus.

The dynamic capability view (DCV) also comes to the fore, due not only to both DMCs' and EO's positive and statistically significant impact on OCs, but through their preponderant role in driving their development. In microenterprises, DMCs and EO are extremely important through indirect effects towards GP, although these will ultimately have to be carried through microenterprises' OCs.

Regardless of CI, the focus of the strategy of the microenterprise should be on the management team and their dynamic capacity as managers [49], as well as entrepreneurial capacity, orientation, and actions [69]. In this manner, this research complements previous research in highlighting the focal importance of the manager [16,23] and sheds light with empirical results on a reasonable previous extrapolation of the generalized importance of OCs and their antecedents.

Finally, we have shown how certain quantitative measures of capabilities may be applied to microenterprises if the specificity and nature of them does not conflict with the limited organizational complexity of microenterprises. Additionally, we have further highlighted the usefulness in considering a multi-tiered capability framework. The robustness of our findings gives us confidence towards their replicability.

### *5.1. Limitations and Future Research*

The first limitation of this study is that it considers only a single moment in time and firms from a single country. Other studies which follow this line of research can consider a time-series, as well as a multiple countries, and so multi-institutional-framework approach. On the topic of institutions, it is worthwhile to note that there may be significant distinctions in the interactions of firms' capabilities with their GP between developed and developing countries [112], particularly due to often a very different institutional environment as well [113,114]. While we concluded that age was not a significant control and CI a nonsignificant or non-substantive moderator, further studies should consider other environmental variables. Market and technological turbulence have long since been a staple moderator within models considering DCs [28,40,115], although little research exists about them with consideration to microenterprises. Despite having reason to believe these findings are generalizable to similar institutional environments, further empirical confirmation is needed on this front.

Future research may also consider following up on the current study's findings qualitatively, as it is worth understanding in further detail not only the causal mechanism that

originated in DMCs and EO, but also the causal mechanism that propagates them through OCs and, of the latter, onto GP [2,72,116,117]. This study also raises questions about the interaction of firm size and capabilities, such that a differentiated micro, small, medium, and large firm sample to test out how these effects evolve across size could be beneficial in increasing our understanding of these relationships.

Our results also raise questions about the required conditions to have high degrees of GP. While our results do suggest that a firm should have high DMCs and/or EO, ideally both, as an antecedent of OCs and do explicitly state that high degrees of both DMCs and EO should, on average at least, drive OCs' development, can a microenterprise have high OCs without DMCs or EO? Can it, then, hold this high GP through time, and under what conditions? Is it fundamentally possible to by-pass these anteceding variables, or even desirable?

Towards this end, finer-grained approaches onto the capability ecosystem may be desirable within microenterprises. DMC and OC, and even EO in the realm of an orientation, are what we can call broad-spectrum capability constructs. While this is useful in understanding broad, multi-industry relationships, it leaves open the detail of these interactions while considering finer-grained capabilities, perhaps only applicable to certain sectors or industries. It also raises the question of what a good mix of broad-spectrum capabilities is, and how that may shift depending on some key firm variables, such as size or institutional context.

To this point, digital capabilities, being broadly applicable, have come to the forefront during the COVID-19 crisis [118,119] and identify a specific and key dimension that should be further explored [118]. Themselves and digital orientation or digital leadership have been highlighted in contributing to, respectively, the digital transformation and digital maturity of SMEs and with relevant implications to firm performance [118,119]. The challenges faced in this matter are only likely to be harsher when considering microenterprises. Given what we demonstrated regarding OC and DMC, further integration of digital capabilities seems like a worthwhile avenue, whether utilizing a narrow conceptualization of digital capabilities or a broad one, with different implications. Likewise, it may be useful to pursue the non-technology/digitalization characteristics of microenterprises that may antecede digital capability, orientation, or leadership.

Finally, more multi-tiered firm capability studies seem to be in order. Despite decades of research and a sound theoretical basis for the interaction between different tiers of capabilities, meta-capabilities, dynamic capabilities, and operational capabilities, we still seem to be very limited in our understanding of the quantitative relations between them, let alone the qualitative characteristics these relationships possess, in this manner, severely restricting their usefulness in characterizing an organization's resource base and its renewal.

### *5.2. Practical Implications*

To practitioners, and particularly microenterprises' OMEs, this research highlights the importance of developing their own human capital, social capital, and managerial cognition in relation to the firm, primarily, as these are the microfoundations that constitute DMC [7,49], which then propagate causally forward towards OCs, showing the most substantive result. Also relevant are the components of EO: innovativeness, risk taking, and proactiveness, even in situations of low competitive intensity. Whereas simply stating that one should develop OCs, such as management capabilities or marketing capabilities, could be nebulous, the path to specific anteceding microfoundations enables OMEs to take, and other practitioners to prescribe or evaluate, a clearer path when it comes to increasing a microenterprise's GP, not that initiatives driven directly at OCs might not be fruitful.

Additionally, we can see that if we measure, while attempting to increase them, just the DMCs' and EOs' evolution, we may have a good benchmark to evaluate how the microenterprises' OCs are likely to follow. The full mediation further helps in assessing these effects, as we can assume any DMC or EO effect on GP has been mediated by OCs. As such, microenterprises OMEs may tap a valuable resource in their employee's perception

of their DMCs and EO components, as well as their own introspective evaluation of them, going beyond a narrow focus on OCs.

For governments, given our results and the COVID-19 context, we conclude that, although important, a focus just on financial aid and employment incentives may not be enough. It is paramount that governmental programs focus on developing the constituents of OC, DMC, and EO in microenterprises. This scope of intervention takes the form of allowing microenterprises to obtain financial robustness and healthy employment of workers through their own higher GP, potentiated by more developed internal capabilities.

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## Appendix A

Research questionnaire:

**Table A1.** Organizational capabilities.

| Operational Capabilities (OC) | Portuguese Questions | English Questions |
|---|---|---|
| | Por favor responda às seguintes questões tendo em conta a posição da sua empresa em relação aos seus concorrentes. A escala representa:<br>1—Muito pior que os concorrentes;<br>7—Muito melhor que os concorrentes. | Please reply to the following questions, considering your firm in relation to its biggest competitors. The response scale represents:<br>1—A lot worse than our competitors;<br>7—A lot better than our competitors. |
| Management Capabilities | O nosso nível de conhecimento de clientes é: | Our knowledge of customers is: |
| | O nosso nível de conhecimento de concorrentes é: | Our knowledge of competitors is: |
| | O nosso nível de integração das atividades de marketing é: | Our integration of marketing activities is: |
| | A nossa capacidade de segmentação e penetração de mercado é: | Our skill to segment and target markets is: |
| | A nossa eficácia no estabelecimento de preços é: | Our effectiveness of pricing programs is: |
| | A nossa eficácia nas ações de publicidade é: | Our effectiveness of advertising programs is: |

**Table A1.** *Cont.*

| Operational Capabilities (OC) | Portuguese Questions | English Questions |
|---|---|---|
| Marketing Capabilities | A nossa capacidade de desenvolvimento de novos produtos é: | Our integrated logistics systems are: |
| | Os nossos pressos de produção são: | Our cost control capabilities are: |
| | A nossa capacidades de desenvolvimento tecnológico é: | Our financial management skills are: |
| | A nossa capacidade de prever mudanças tecnológicas na indústria é: | Our human resource management capabilities are: |
| | As nossas instalações de produção são: | Our accuracy of profitability and revenue forecasting is: |
| | O nosso controlo de qualidade é: | Our marketing planning process is: |

**Table A2.** Dynamic Managerial Capabilities.

| Dynamic Managerial Capabilities (DMC) | Portuguese Questions | English Questions |
|---|---|---|
| | Por favor responda tendo em conta o ambiente externo da sua empresa. A escala de resposta representa: 1—Discordo totalemente; 7—Concordo totalmente. | Please reply taking into account the external environment of your firm. The response scale represents: 1—Totally disagree; 7—Totally agree. |
| Human Capital | São incrivelmente capazes. | They are very skilled. |
| | São considerados como estando entre os melhores gestores da nossa indústria. | They are widely considered the best in our industry. |
| | São criativos e originais. | They are creative and bright. |
| | São especializados nas suas funções e responsabilidades. | They are experts in their particular jobs and functions. |
| | São uma fonte de novas ideias, novos produtos e inovações | They develop new ideas and knowledge. |
| | São incrivelmente capazes. | They are very skilled. |
| Social Capital | São capazes de colaborar uns com os outros para diagnosticar e resolver problemas. | They are skilled at collaborating with each other to diagnose and solve problems. |
| | Partilham informação e aprendem uns com os outros. | They share information and learn from one another. |
| | Interagem e partilham ideias com pessoas de diversos departamentos da empresa. | They interact and exchange ideas with people from different areas of the company. |
| | Formam parcerias com clientes para desenvolver soluções mutuamente benéficas. | They partner with customers to develop mutually beneficial solutions. |
| | Formam parcerias com fornecedores para desenvolver soluções mutuamente benéficas. | They partner with suppliers to develop mutually beneficial solutions. |
| | Formam parcerias, explicitas ou implicitas, com concorrentes para desenvolver soluções mutuamente benéficas. | They partner, explicitly or implicitly, with competitors to develop mutually beneficial solutions. |
| | Aplicam o conhecimento de uma área da empresa para resolver problemas e explorar oportunidades que se materializam noutras áreas da empresa. | They apply knowledge from one area of the company to solve problems and seize opportunities that arise in another. |

**Table A2.** *Cont.*

| Dynamic Managerial Capabilities (DMC) | Portuguese Questions | English Questions |
|---|---|---|
| Managerial Cognition | Por favor responda tendo em conta o ambiente externo da sua empresa. A escala de resposta representa: 1—Discordo totalemente; 7—Concordo totalmente. | Please reply taking into account the external environment of your firm. The response scale represents: 1—Totally disagree; 7—Totally agree. |
| | Dos problemas e necessidades dos clientes. | Customer problems and needs |
| | Da nossa oferta (proposta de valor) para os clientes. | Value propositions. |
| | Da relação entre as nossas propostas de valor e os problemas e necessidades dos clientes. | Relationships between value propositions and customer problems/needs. |
| | Das possiveis combinações de produtos, serviços e informação. | New combinations of products, services, and information. |
| | Dos segmentos de clientes. | Customer segments. |
| | De várias formas de criar valor para os clientes ou utilizadores. | New ways of value creation for the customer and user. |
| | De várias formas de criar valor para outros parceiros (e.g., Fornecedores, distributors, etc.). | New ways of value creation for other partners (suppliers, distributors, etc.). |
| | Do conteúdo da comunicação e promoção das propostas de valor produzidas pela empresa. | Content for the communication and promotion of the value. |
| | Das nossas vendas e dos nossos canais de distribuição. | Sales and distribution channels. |
| | Dos negócios entre parceiros da indústria e das formas de colaborar com os parceiros. | Business transactions and the ways of collaborating with partners. |
| | De novas formas de relacionar os parceiros de negócio. | Linking business participants together in novel ways. |
| | De assumir novas posições na cadeia de valor da indústria ou de substituir partes dessa cadeia. | Taking over new value chain positions or substituting existing parts of the value chain. |
| | Da possivel criação de novas formas de obter rendimentos. | Generating new revenue streams. |
| | Da possibilidade de registar novas patentes. | Patentability. |
| | Das necessidades de recursos em todos os aspetos do negócio. | Resource requirements for all business aspects. |
| | Dos benefícios financeiros para a empresa. | The financial benefits for our company. |
| | Dos custos relacionados com a atividade e com os projetos da empresa. | All business-related costs of a project. |

**Table A3.** Entrepreneurial orientation.

| Entrepreneurial Orientation (EO) | Portuguese Questions | English Questions |
| --- | --- | --- |
| Innovativeness | Em geral, os gestores da empresa favorecem:<br>1—Um forte foco no marketing de produtos ou serviços tradicionais ou;<br>7—Um forte foco em I&D, liderança tecnológica e inovações. | In general, the top managers of my firm favor:<br>A strong emphasis on the marketing of tried-and-true products or services (1) or;<br>A strong emphasis on R&D, technological leadership, and innovations (7). |
| | Quantas novas linhas de produtos ou serviços foram lançadas para o mercado nos últimos 5 anos?<br>1—Nenhuma nova linha de produtos ou serviços ou;<br>7—Muitas novas linhas de produtos ou serviços. | How many new lines of products or services has your firm marketed in the past 5 years?<br>No new lines of products or services (1) or;<br>Very many new lines of products or services (7). |
| | Na minha empresa, mudanças na linha de produtos ou serviços têm sido:<br>1—Normalmente bastante incrementais (i.e., de uma natureza menor) ou;<br>7—Normalmente bastante disruptivas (i.e., de uma natureza maior). | Changes in product or service lines have been:<br>Mostly of a minor nature (1) or;<br>Usually quite dramatic (7). |
| Proactiveness | Ao lidar com concorrentes, a minha empresa:<br>1—Tipicamente responde a ações que a concorrência inicia ou;<br>7—Tipicamente inicia ações às quais os concorrentes têm depois que responder. | In dealing with its competitors, my firm:<br>Typically responds to actions that competitors initiate (1) or;<br>Typically initiates actions to which competitors then respond (7). |
| | A minha empresa é:<br>1—Raramente a primeira a introduzir novos produtos/serviços, técnicas administrativas, tecnologias de operações, etc. ou;<br>7—Frequentemente a primeira a introduzir novos produtos/serviços, técnicas administrativas, tecnologias de operações, etc. | My firm is:<br>Very seldom the first business to introduce new products/services, administrative techniques, operating technologies, etc. (1) or;<br>Very often the first business to introduce new products/services, administrative techniques, operating technologies, etc. (7). |
| | A minha empresa:<br>1—Tipicamente evita confrontos competitivos, sendo que prefere uma postura de "vive e deixa viver" ou;<br>7—Tipicamente adota uma postura de "destruir a concorrência". | My firm typically:<br>Seeks to avoid competitive clashes, preferring a "live-and-let-live" posture (1) or;<br>Adopts a very competitive, "undo-the-competitors" posture (7). |
| Risk-taking | In general, the top managers of my firm have:<br>A strong proclivity for low-risk projects (with normal and certain rates of return) (1) or;<br>A strong proclivity for high-risk projects (with chances of very high returns) (7). | Em geral, os gestores de topo da minha empresa têm:<br>1—Uma forte tendência para projetos de baixo risco (com taxas de retorno normais e certas) ou;<br>7—Uma forte tendência para projetos de alto risco (com hipótese de elevadas taxas de retorno). |
| | In general, the top managers of my firm believe that:<br>Owing to the nature of the environment, it is best to explore it gradually via cautious, incremental behavior (1) or;<br>Owing to the nature of the environment, bold, wide-ranging acts are necessary to achieve the firm's objectives (7). | Em geral, os gestores de topo da minha empresa acreditam que:<br>1—Devido à natureza do ambiente, é melhor explorá-lo de forma gradual e cautelosa ou;<br>7—Devido à natureza do ambiente, ações abrangentes e ousadas são necessárias para atingir os objetivos da empresa. |
| | When confronted with decision-making situations involving uncertainty, my firm:<br>Typically adopts a cautious, "wait-and-see" posture in order to minimize the probability of making costly decisions (1) or;<br>Typically adopts a bold, aggressive posture in order to maximize the probability of exploiting potential opportunities (7). | Quando confrontada com situações onde é necessário tomar uma decisão, a minha empresa:<br>1—Tipicamente adota uma postura cautelosa, de "esperar para ver", no sentido de minimizar a tomada de decisões que possam ficar custosas ou;<br>7—Tipicamente adota uma postura ousada e agressiva de modo a maximizar a probabilidade de explorar oportunidades potenciais. |

**Table A4.** Competitive intensity.

| | Portuguese Questions | English Questions |
|---|---|---|
| | Por favor responda tendo em conta o ambiente externo da sua empresa. A escala de resposta representa: 1—Discordo totalmente; 7—Concordo totalmente. | Please reply taking into account the external environment of your firm. The response scale represents: 1—Totally disagree; 7—Totally agree. |
| **Competitive Intensity** | A competição na nossa indústria é intensa. | Competition in our industry is cutthroat. |
| | Há muitas "guerras promocionais" na nossa indústria. | There are many "promotion wars" in our industry. |
| | Na nossa indústria, qualquer coisa que um concorrente possa oferecer, outros conseguem equiparar-se rapidamente. | In our industry, anything that one competitor can offer, others can match readily. |
| | A competição pelo preço faz parte da nossa indústria. | Price competition is a hallmark of our industry. |
| | Na nossa indústria, conhecem-se novos movimentos competitivos muito frequentemente. | One hears of a new competitive move almost every day in our industry. |
| | Na nossa indústria, os nossos concorrentes são relativamente fracos. | In our industry, our competitors are relatively weak. |

**Table A5.** Global performance.

| | Portuguese Questions | English Questions |
|---|---|---|
| | Sendo a escala: 1—Muito Mau, 7—Muito bom | The scale being: 1—Very bad; 7—Very good: |
| **Global Performance** | Como avalia o desempenho geral/internacional da atividade da sua empresa no último ano? | How do you evaluate the general performance of the domestic/international activity of your firm the last year? |
| | Como avalia o desempenho geral/internacional da atividade da sua empresa nos últimos 3 anos? | How do you evaluate the general performance of the domestic/international activity of your firm in the last three years? |
| | Como avalia o desempenho geral/internacional da atividade da sua empresa no último ano em relação aos seus concorrentes? | How do you evaluate the general performance of the domestic/international activity of your firm in the last year in relation to your competitors? |

**Table A6.** Controls.

| Controls | Portuguese Questions | English Questions |
|---|---|---|
| Number of employees | Quantos colaboradores tem a sua empresa? | How many employees does your firm have? |
| Industry | Escolha a indústria em que a sua empresa se enquadra. Se a empresa participar em diversas indústrias, escolha a principal. | Please select the industry of your firm. If your firm is in several industries, select the main one. |
| | ○ Agricultura, produção animal, caça e silvicultura | ○ Agriculture, animal production, hunting and forestry |
| | ○ Pesca | ○ Fishing |
| | ○ Indústrias Extrativas | ○ Extractive Industries |
| | ○ Indústrias Transformadoras | ○ Manufacturing Industries |
| | ○ Produção e distribuição de eletricidade, gás e água | ○ Production and distribution of electricity, gas and water |
| | ○ Construção | ○ Construction |
| | ○ Comércio por grosso e a retalho, reparação de veículos automóveis, motociclos e de bens de uso pessoal e doméstico | ○ Wholesale and retail, repair of motor vehicles, motorcycles and personal and household goods |
| | ○ Alojamento e restauração (restaurantes e similares) | ○ Accommodation and catering (restaurants and similar) |
| | ○ Transportes, armazenagem e comunicações | ○ Transport, storage and communications |
| | ○ Atividades financeiras | ○ Financial activities |
| | ○ Atividades imobiliárias, alugueres e serviços | ○ Real estate activities, rentals and services |
| | ○ Administração pública, defesa e segurança | ○ Public administration, defense and security |
| | ○ Educação | ○ Education |
| | ○ Saúde e ação social | ○ Health and social action |
| | ○ Outras atividades de serviços coletivos | ○ Other collective service activities |
| | ○ Famílias com empregados domésticos | ○ Families with domestic employees |
| | ○ Organismos internacionais e outras instituições extraterritoriais | ○ International bodies and other extraterritorial institutions |
| Revenue | Por favor selecione o intervalo em que o volume de faturação da sua empresa se insere: | Please select the range which applies to your firm's gross revenue: |
| Age | Em que ano foi formada a sua empresa? | When was your firm founded? |

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