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By Hairudinor Hairudinor

DOES IT UNREST ALTER THE EFFECT OF RISK-TAKING ATTITUDE ON THE ORGANIZATION'S PERFORMANCE?

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Abstract. The research paper investigates the intricate connection between organizations' risk-taking attitude and performance. Organizations involve are SMEs i.e., small and medium enterprises. The study significantly contributes to the field of risk management. Data was gathered through managers working in different SMEs operating in Indonesia which was then further analyzed using PLS (Partial Least Square) and Structural Equation Modeling. The idea was to investigate the impact of information technology (IT) unrest which was used as a moderating variable as well as the influence of the pricing capacity of an organization as a mediating variable. Findings were not conclusive. It cannot be said with authority that organizations that have a risk-taking attitude stimulate positive performance. However, the important point to note is that when IT unrest is at the low side, risk-taking attitude can bring about positive performance. Research paper further expands the present literature on risk management by analyzing the risk-taking attitude in the SME context, also taking into consideration the impact of IT unrest and the pricing capacity of an organization.

Keywords: attitude; Small and medium enterprises (SMEs); Information technology (IT)

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JEL Classifications: F35, F42

1. Introduction

(Stein and Wiedemann 2016) argued that the risk-taking attitude of an organization very much contributes to the organizational performance as high risk may translate into high returns. Though influencing the management of an organization to engage into high-risk activities is usually the most difficult part to achieve; management has a very strategic orientation and they need to be very clear with every aspect of the project before they can make up their mind (Gupta & Wales, 2017). Managers working in different organizations lack confidence in engaging and assigning resources into a project which can be considered highly risky during IT unrest scenario (IBM, 2016).

Risk-taking, the attitude of an organization, can produce diverse consequences to fully comprehend the whole process; the situation under which management makes these decisions needs to be investigated. (Justo-Hanani & Dayan, 2015) have defined risk governance as foundations, rules and guidelines, procedures and mechanisms through which management decides activities that involve a certain level of risk factor. Board members associated with organizations usually have a separate interest which very much defines their decision-making process related to the level of risk an organization can manage (Bosse & Phillips, 2016). In reality, managing risk is still a paradox; there are multiple problems that organizations face that include choice of suitable time for identifying risk and risk aversion strategies.

Generally, SME tends to have high risk-taking attitude reason being they lack the resource power which makes sure the overall stability; to grow and outperform the competition, they take the risk (Schilke et al., 2017). They follow the very casual approach in managing the risk factor, but they vigilantly look for any source of unpredictability which might have a negative effect or high-risk potential. This informal way of dealing with the risk factor very much define their capacity to handle the turbulent environment and also very much signifies their business attitude (Pratono & Mahmood, 2015).

(Liang, Gao, and Ding 2018) highlighted the importance of having a price capacity in their study at the same time suggested that SME lacking this essential property might fail to capitalize growth opportunity, bringing about a decrease in performance and enhancing the risk probability. Analyzing the risk-taking attitude of SMEs is not only significant for literature purpose but it is also helpful in taking corrective measures which will allow SMEs to improve their overall functionality though the dearth in experiential studies related to SME risk management and counter-strategies signifies a blurred vision concerning risk attitude and its overall effectiveness (Falker & Hiebl, 2015).

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This study empirically investigates the intricate connection between the risk-taking attitude of an organization and the effect it has on the performance during information technology unrest, which serves as a moderating variable. In addition, the study also explores the mediating effect of the pricing capacity of an organization which is very much significant for SME organization durability. The research was conducted on SMEs operating in Indonesia with an overall contribution of 38% to GDP in the year 2018 and the total amount exceeding US\$126 Billion. The definition of SME followed in Indonesia is an organization with a sales turnover of \$7.3k and not exceeding \$12 Million and employee strength ranging from 5 and not exceeding 200. More than 0.9 Million SMEs are operating in Indonesia with the majority related to the service industry followed by the manufacturing and construction industry.

The diverse nature of the organizations that are classified as SME is very much taken into consideration to negate the issue of analogy. Industry-specific studies are extensive so to maintain the distinctiveness, heterogeneity of the organization has been given special consideration (Hatak et al., 2015). Another important point which needs attention was that heterogeneous organization involves threesome authority and governance, so every decision needs the consent of owners, the board of directors and lastly managers (Karoui, 2017). Therefore, research paper has mainly focused on organizations where decision making is related to a single individual who can be an owner or manager (Haseeb et al., 2020). Similarly, there is also a possibility that an owner may be working as a manager so he or she has all the administrative rights.

2. Literature Review

Conscious behavior with apparent vagueness about the consequences, at the same time intention of grabbing the opportunity in an indeterminate environment, is called risk-taking attitude or behavior (Baule & Fandel, 2016). The notion is quite diverse in comparison to imprudent behavior which is a representation of lack of thoughtfulness. Whereas risk governance involves mindfulness, availability of resources and detail research-based on that choices are made; the approach is usually associated with diversification (Francis, et al., 2014). These decisions are not made on instinct rather they represent knowledge orientation and very much nurture a balanced approach with respect to governance (Garcia-Perez-de-Lema et al., 2017).

Large organizations have established a risk management department, where every essential aspect is analyzed before making any decision as it will affect all functions of an organization (Lundqvist, 2015). These organizations follow a corporate culture which very much influences risk management; they have clearly defined objectives and attainment of these objectives depend on the capacity of risk management to change the existing environment (Stulz, 2015). Generally, the tendency of SME is to ignore opportunities that have certain risk factors but can fetch positive

results (Hess & Contrell, 2016). Nevertheless, sometimes it gets difficult to fully comprehend the risk governance and decision-making process for practitioners due to the diverse industry sector of SMEs (Karoui, 2017).

The size of the organization very much defines resource allocation into a new venture (Wales, 2015). Similarly, organizations have well define ideology which outlines their operational path; similarly, one important aspect of ideology is the acceptance of innovation, if organizations are stirred by the inventiveness and exploring new opportunities; they will be more likely to introduced new product and will try to be the market leader. Moving into a new area can be risky but these types of organizations are very premeditated (Campbell & Park, 2017). SME tend to have social connections which is one of the important aspects of consideration while making the decision; these connections are not only customer-oriented rather different organization are also part of the network which include banks which plays a key role in backing up the new venture. Moreover, social technologies and open collaboration have also opened new doors of opportunities for SME which allow them to take advantage of new prospects.

SMEs do not have a proper mechanism in managing the risk associated with their operations; their main concern is holding proper cash (Al-Najjar, 2015; Mackevičius et al., 2017; Būmane, 2018). As highlighted earlier they have a very casual approach towards risk management. SMEs don't have long chain hierarchy; workplace association is built on trust which can vary over time as it primarily depends on knowledge sharing (Boxer et al., 2016). SMEs mainly depends on trade financing as suppliers open credit line for them and at month-end accounts are reconcile; SMEs favor these type of financing rather than asking banks for same as they have complex procedures and high-interest rates (McGuinness, et al., 2018). Price is an important factor that allows SMEs to differentiate from others in a tough business environment or they have something to offer which is difficult to imitate.

Assumed Hypothesis

Presumably, entrepreneurs are risk-taker, as consciously they invest their resources into something without knowing the consequences but hoping for positive results (Boermans & Willebrands, 2017). SME entrepreneurs are inclined to take the risk and anticipate that the money they have invested and the decision they have taken will translate into something that will be beneficial for them; this approach can be considered an element of self-centeredness (Bosse & Phillips, 2016).

There is a high-risk factor associated with SMEs whereas organizations that are bigger in size have the resources to research every aspect and accordingly reducing the risk factor. In such a dynamic business environment, SME with centralized authority and simple organizational design are more likely to easily adapt and react towards business opportunities and modifications. SMEs with long term objectives and plans have more chances of succeeding as they will not be looking for short term success against the risk they have taken (Situmeang et al., 2016; Korshenkov, Ignatyev, 2020).

Conversely, some organizations also look for averting any risk or uncertainty and want to remain at ease; they also wish to control their environment (Wang & Wu, 2019). The general rule that is associated with risk averters is that they will go for a definite outcome in comparison to greater or probable results (Wood & Mckinley, 2016). Possibility of an organization earning greater return increases when there is less competition; therefore, an organization that looks for averting risk is likely to earn less return on their investment (Zhao & Zhu, 2017).

Developing a knowledge-based structure not only allows the organization to grow in the right direction but also facilitate in taking calculated risks. Contrary to this presumption, SME seems to be disinclined to invest in such type of structure. This hesitation is mainly because of doubts regarding the volatile environment and future profit streams (Ding et al., 2016). Similarly, they holdup allocating resources in such types of activities and play a waiting game (Burger & Schwartz, 2015); which means they postpone their decision process rather than deciding at the

right moment particularly when the worst-case situation is under consideration. Based on the above presented argument, the following hypothesis can be assumed:

H1: Risk-taking attitude has a progressive effect on organizational performance

Organizational performance is the key which is why it has received significance scholarly attention (c.f., Umrani, Mahmood & Ahmed, 2016). Organization profit is very much dependent on its price capacity, which allows them to set a price which is not only market competitive but also facilitate in generating income (Ngamsutti, 2018). This capacity is very much dependent on the scale of operations of an organization; the more efficient the operations are, the possibility of organization gaining cost advantage increases. Price competition intensifies with new competitors entering the market; if product properties are almost the same, the differentiating factor will be the price each company offers. In context to SME, their price capacity suggests that to appeal to consumers, they maintain their prices less than the minimal cost which can be a strategy to increase market share.

(Teece et al. 2016) highlighted that most of the SMEs could not influence prices as they don't have the capacity or don't have the position to negotiate prices from the supplier; similarly, they also find difficult to sustain or increase output. SME organizations that cannot influence price capacity might miss on different market openings which ultimately affect their performance and expose them to different types of risk. Organizations engaging in activities which involve certain risk factor are most likely try to influence price (Dai & Meng, 2015). Product affected by such type of decision is less sensitive to price fluctuation and the organization also has the option of charging a premium. Prior studies suggested that financial institutes with a strong capacity of establishing prices are more likely to follow a conventional approach.

It is argued that the pricing capacity of an organization can convert into the key parameter of performance if it can demonstrate the organization's anticipation that without the consideration of price consumer willingly purchase new offered products or services. Here the risk-taking attitude arises as to how to tackle such types of customers who might be impassive to price while making the purchase. An organization with competitive pricing strategy which includes cash backs and other discounts might able to set a price which allows them to appeal to a group of customers who show sign of loyalty (Mindruta et al., 2016).

H2: Price capacity of an organization is an arbitrator between risk-taking attitude and performance.

Prior studies examine the relationship between risks and return very much signifies the undeveloped capacity of SME to embrace information technology in consideration of environmental factors. SMEs do face issues like weak research and development capacity, limited resources; due to these limitations they look to take advantage of price variation between two markets so that they do not miss on current technological advancement. Having a strong will of capitalizing growth opportunity can play significant role in attaining performance goals during information technology unrest (Pratono, 2016).

Not investing in research and development can have a damaging effect on the performance of an organization. Updated R&D allows organizations to have a close eye on the market concerning current trends and technological advancement. (Sarah et al., 2017) debated in their paper that the unwillingness of owners to restrain from allocating resources may translate into a loss of market share and authority on the network. It becomes imperative for SME to bring about major modifications in the existing structure of risk governance in consideration of the prevailing business environment. SME is looking for progression during major technological unrest; risk management is a potent tool that not only ensures sustainability but allows the organization to grow in such a turbulent environment (Ali et al., 2017).

Due to a shortage of capital and lack of advance IT facilities, SMEs may expose to different security hazards which ultimately affect their performance. SME performance might deviate from the intensity of technological unrest. This technological unrest can stimulate different security risk for an organization which includes cyber-attack in the form malicious software, viruses which has the capabilities of altering computer programs, and worms which has the capacity of replicating itself to spread (Eling & Schnell, 2016). Environmental turbulence makes organization doubtful and influences them to embrace wait and watch strategy. So, the following hypothesis can be assumed:

H3: The connection between risk-taking attitude and organization performance is affected by IT unrest.

3. Methodology

Structural Equation Model has been used in the research paper to drive the connections amidst risk-taking attitude, developed through evaluation and present literature. Multiple advanced techniques have been used to establish the connection of latent variables. References have also been taken from previous research papers; primary data was also collected through a survey which was then further analyzed.

The study comprises four latent variables that are a risk-taking attitude, organizational performance, pricing capacity and lastly IT unrest. Subjective measurement has been used to gauge the important notion as there was the possibility of poor response or lack of intent to share private information from SME. The usual practice of SME is that they do not prepare detail financial reports rather owner returns are submitted for taxation purposes (Pratono, 2016). The Likert scale has been used in the questionnaire which allows rating the survey questions.

Parameters to gauge risk-taking attitude were selected from (Wales, 2015) research paper. The majority of the question were related to analyzing the inclination of an organization to embrace a project that is risky, it also involves thoroughly investigating the problem before resource allocation; while others were related with organization approach to avert risk through waiting game strategy. (Schilke et al., 2017) study was used to draw references that allow the development of parameters to gauge the organizational performance. Financial performance is usually measured through sales turnover, ROA, ROI, Net Profit or Gross Profit margins. Measures to evaluate information technology unrest were selected from (Pratono 2018) research paper. Recent technological advancement and Innovation, capitalizing growth opportunities, and revolution in the industry were all used to analyze IT unrest. Lastly to examine the pricing capacity of the organization references were taken from a study conducted by (Xu et al., 2016). Parameters include three main components that we're assessing, improving and enabling.

The questionnaire was pre-tested to make sure that desired objectives can be achieved, and corrections are made beforehand. Practitioners were asked to fill the questionnaire and accordingly provide the feedback. Based on the recommendations, the questionnaire was adjusted and modified. One important issue that was highlighted during pilot testing was the wording that was used to define latent variables; the possibility of respondent miss understanding the actual connotation is always there, so alterations were done considering the scenario.

Data Collection

To have a detailed understanding concerning the structure as well as the followed practice of SME, it was decided to gain the perspective of owners who were also working as managers. Not only will they be able to brief their entrepreneurial approach, but they can also share insight concerning their risk-taking attitude. As highlighted earlier, these SMEs do not have a long hierarchy; rather they follow a very simple structure where the owner has multiple roles with all the decision powers (Rothenberg et al., 2016).

SME Corporation Indonesia, Ministry of Entrepreneur Development Indonesia and Indonesia Business Link directory were used to list down the SMEs operating in Indonesia. Figure 1 very much highlights the definition of SME followed in Indonesia.

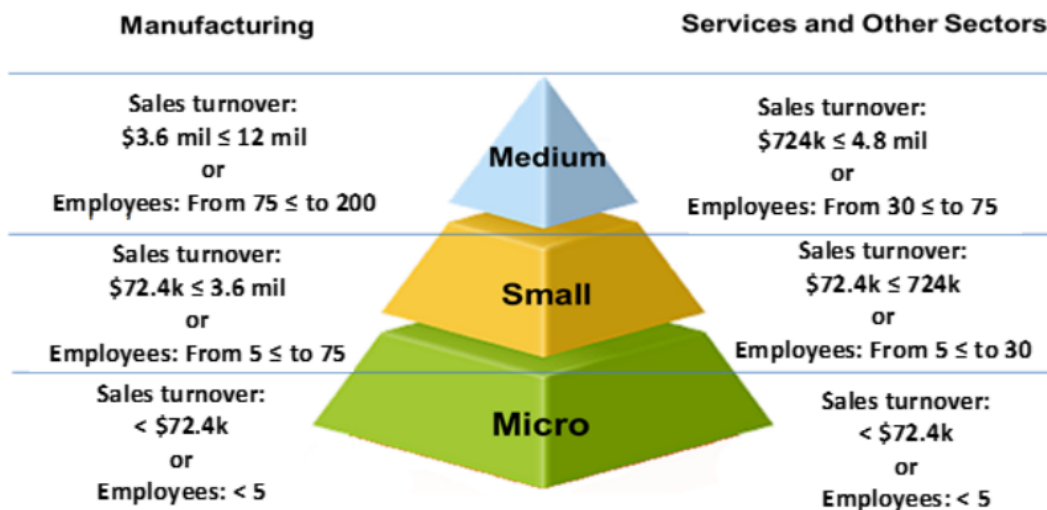


Figure 1. The definition of SME followed in Indonesia

Around 500 SMEs were contacted to take part in a research paper. These SMEs were selected randomly from the directory SME Corporation of Indonesia. 253 responses were received from the contacted SMEs; due to some disparity, 59 were neglected. The final count of the questionnaires which were used for further analysis was 194 highlighting a response rate of 38% which can be considered very compatible with research papers that have a similar structure (Hoffmann et al., 2018).

The questionnaire was sent through email detailing the purpose of the study as well as highlighting that key findings will be shared with the respondent which is one of the ways to motivate the respondent to reply. The method was preferred on one interview as there was a possibility that the respondent might be reluctant to share his honest view and may maneuver the answers.

Partial Least Square technique has been used to analyze the data, the reason being it can concurrently derive prototypes for multiple variables because of its suppleness to verify the formative as well as reflective constructs (Aker et al., 2017). Practitioners have recommended PLS for exploratory studies, investigating a problem that has not been studied previously (Nitzl, 2016). Another reason for using PLS is that it can handle variables that are gauge on scale-shaped with the unit of similar size and applies to categorical data with clear ordering. Lastly, to analyze the singularities such as inclination, attitude, behavior and how it influences performance PLS is the most suitable technique. PLS has been a great help for research papers investigating different aspects of the business but its scope is not limited to business studies rather it can be applied to diverse fields of studies with effective results.

4. Findings

The respondent profile has been demonstrated in Table: 1; the general opinion was that they have taken a significant risk to reach their current position. In terms of percentage organization with an asset value of less than \$241k, 70% of the respondent claimed that they have a risk-taking attitude. 62% of the respondent with an asset value in the

range of \$241k to \$1.2 Million claimed they have a risk-taking attitude. Finally, 75% of the respondent having an asset value of more than \$3.6 Million claimed to have a risk-taking attitude. The same was the case with sales numbers, with a high majority of respondents claiming to have a risk-taking attitude. Education level reveals that respondents who have completed their graduation or post-graduation have high risk-taking attitude.

Table 1. The respondent profile

Features	Frequency	Percentage
Asset Value	less than \$241k	34 18%
	Between \$241k to 1.2 Million	47 24%
	Between \$1.2 to 3.6 Million	59 30%
	More than \$3.6 Million	54 28%
Sales Turnover	Less than \$241k	18 9%
	Between \$241k to 1.2 Million	37 19%
	Between \$1.2 to 2.4 Million	61 31%
	More than \$2.4 Million	78 40%
Employee Strength	less than 50	25 13%
	Between 50 to 100	39 20%
	Between 100 to 200	71 37%
	More than 200	59 30%
Education Level of Respondent	Secondary School	10 5%
	Diploma Holder	28 14%
	Graduate	101 52%
	Post-Graduation	55 28%

Since the construct itself very much causes indicators, so it can be presumed that it is a reflective prototype that not only needs internal reliability but also needs to have convergent validity. To investigate the convergent validity of the model, the average variance extract has been used. Table 2 highlights the result extracted through AVE which indicates significant variance. Cohesion was also visible between related indicators evaluated through outer loading. The heterotrait-monotrait ratio of correlations (MTMT) was used to gauge the divergent validity; results are presented in Table 4 and confirm that divergent validity did happen. Cronbach's Alpha reliability test was conducted in order to verify consistency; results are presented in Table 2 which very much confirms internal consistency.

Table 2. Cronbach's Alpha reliability test

Constructs	Cronbach's Alpha	Composite Reliability	AVE
Risk Attitude	0.756	0.825	0.724
Information Technology Unrest	0.852	0.898	0.695
Pricing Capacity	0.816	0.863	0.652
Organizational Performance	0.905	0.924	0.627
Risk x IT Unrest	1.000	1.000	1.000

To verify that the prototype does not have multicollinearity, the variance inflation factor test was performed. VIF test not only allows observation of internal prototype but also facilitate in examining external prototype. Results are showcased in Table 3.

Table 3. VIF test

Variables	Parameters	Loading	VIF
Risk-Taking Attitude	R1 Unpredictability is usually dealt with the waiting game approach to reduce the impact of risk associated with this uncertainty	0.847	1.521
	R2 R&D plays a major role before any decision is made regarding the allocation of resources	0.893	1.519
Information Technology unrest	IT1 There is frequent advancement in IT concerning your industrial sector	0.792	2.134
	IT2 This advancement presents great growth opportunities	0.835	2.276
	IT3 IT advancement also facilitate in expanding existing product range	0.817	2.901
	IT4 IT advancement also facilitate in exploring new techniques for product circulation	0.782	2.178
	IT5 IT advancement also help in expanding existing structure regarding services	0.803	2.235
Pricing Capacity	PC1 Organization pricing capacity allows rapid response to market alteration	0.831	1.981
	PC2 We have a monitoring system that is placed concerning competition prices	0.804	1.873
	PC3 Due to organization pricing capacity, the price of the product is very much market competitive	0.826	2.465
Organizational Performance	OP1 Last 5 years sale growth percentage	0.772	2.563
	OP2 Last 5 years sale growth percentage in comparison to the competition	0.824	2.319
	OP3 ROS (Return on Sales)	0.796	2.452
	OP4 ROI (Return on Investment)	0.818	2.671
	OP5 Organization performance in the last 5 years	0.782	2.716

The criterion of (Fornell-Larcker 1981) with cross-loading has been used to examine discriminant validity. The value of organizational performance, which is the reflective construct in the prototype, has value higher than interrelation with another latent construct. The same was the case with other reflective constructs; they also have a higher value in comparison to the interrelation of the variable with another latent construct. As soon as findings seem to be consistent and conclusive, it is followed by an investigation of the structural equation model (Henseler et al., 2015).

Table 4. The divergent validity

	Organizational Performance	IT Unrest	Pricing Capacity	Risk Taking Attitude	IT Unrest x Risk Taking
Organizational Performance	0.815				
IT Unrest	0.537	0.847			
Pricing Capacity	0.672	0.417	0.813		
Risk Taking Attitude	0.591	0.385	0.604	0.863	
IT Unrest x Risk Taking	-0.432	-0.301	-0.499	-0.472	1.000

Structural Equation of the measurement model is presented in Figures: 2, which deliver the approximation of loading and magnitude of the connection. There was 55% of variance estimated together for three main constructs with risk-taking attitude elucidating 34%. Statistical significance has also been validated between the construct (See Table 5). Findings also reveal that the impact of risk-taking attitude on organizational performance has *t-stats* of 9.015 and authenticate the proposed H1. Findings also endorse H2, with a path coefficient value smaller than 1% and statistically significant. The path coefficient for risk-taking attitude on the pricing capacity of an organization is 0.601 with a p-value smaller than 1% whereas the path coefficient of pricing capacity on organizational performance is 0.296. In consideration to VAF which exhibits the percentage of variance on the outcome variable, the result signifies that pricing capacity delivers limited mediating impact on the connection amid risk-taking attitude. Lastly, H3 has also been validated by the results; a t-value of 5.287 and a p-value less than 1% suggest that prevailing IT unrest will very much influence the risk-taking attitude and performance of the organization. During high turmoil scenarios, moderating influence explains that organizations are a force to refrain from risky activities which ultimately affect the performance of the organization.

Table 5. Summary correlation between constructs

Constructs	Co-efficient	t-stats	p-value
Risk-Taking Attitude → OP	0.215	9.015	0.000
Risk-Taking Attitude → Pricing Capacity	0.601	11.098	0.000
Pricing Capacity → OP	0.296	7.112	0.000
IT Unrest → OP	0.327	8.998	0.000
Risk Taking Attitude x IT Unrest → OP	-1.468	5.287	0.000

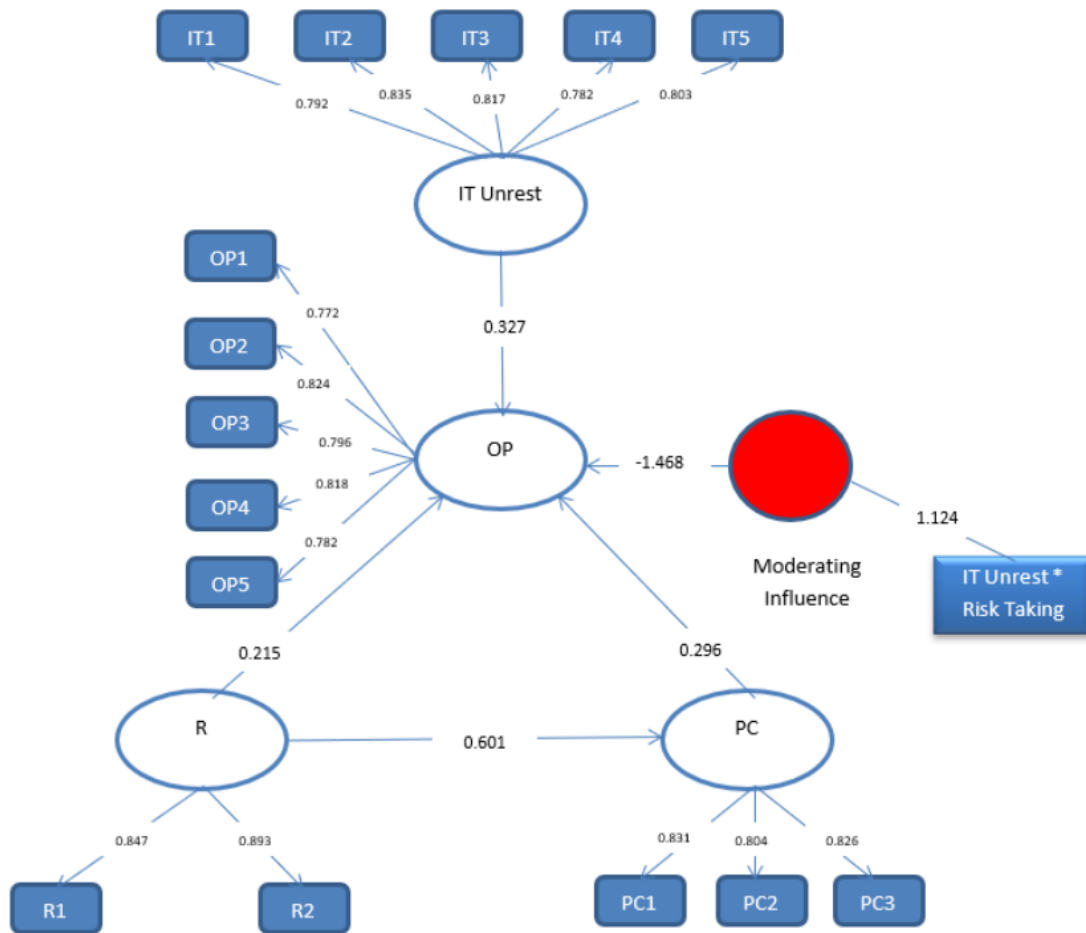


Figure 2. Structural Equation of the measurement model

Theoretical Significance

Research study very much expands the theoretical scope which suggests that engaging in high-risk activity might translate into high returns; the key point is the moderating effect of IT unrest. Findings are not consistent with previously conducted studies (Boermans & Willebrands, 2017), but it does highlight that due to IT turmoil the potency of risk-taking attitude which can affect organization performance decreases. The findings validate the research work conducted by (Guo et al., 2017), which highlight that organization should not be tempted towards high return by engaging in high-risk activities rather they should go for risk-free profit during market fluctuation; this initiate a debate that why organization go for advanced technology when they are uncertain of its commercial feasibility whereas competition is using same technology.

The research paper further extends the previously associated view with the risk of IT unrest. Previous research work that claims that for SME usually, the risk arises when there is some kind of variability in demand (Sanusi & Connell, 2018); whereas research paper in hand-highlighted that SME with risk-taking attitude can attain performance goal

during the different degree of IT unrest. Therefore, the organization can be more successful by establishing a risk management approach. During information technology turmoil, organization existing practice might become outdated and lose the relevance quotient, so the organization might need to rethink their strategic approach in order to be viable and competitive.

Moreover, the mediating role of the pricing capacity of an organization elucidates how an organization with a risk-taking attitude can achieve their desired results. Organizations that have a sturdy risk-taking attitude will likely achieve benefit by establishing pricing efficacy, which will facilitate SME in attaining superlative performance. The argument very much supports the previously conducted research work which claims that ensuring risk management will allow the organization to build pricing capacity (Dai & Meng, 2015). Research paper further signifies that major concern for an SME is establishing a pricing capacity.

Findings reveal that the organization can be built pricing capacity by engaging in risky activities. In order to remain viable during IT unrest, the organization needs to thoroughly investigate the risk. Similarly, SME also needs to invest in that technological advancement which is less risky. Numerous organizations have set different compliance levels with respect to IT such as security protocols; however, these measures are not pertinent to SMEs. Lastly, organizations also need to train their employees to use risk governance which can help them making a decision in consideration of the associated risk.

Managerial Implication

Generally, it is believed that to be successful one needs to take some risk. Conversely, there is a certain degree of uneasiness regarding consequence when an organization engages in risky activities during information technology turmoil. SMEs are always looking for opportunities that they can grab which require a sufficient number of resources; accumulating resources can be difficult but if SME has social contacts, there is the possibility that they can manage the resources requirement (Hill & Scott, 2015). SME risk governance also needs to get align with prevailing social technologies, which allow the organization to make timely alteration concerning its existing strategic approach. This very much exemplifies that SME needs to cultivate its risk governance which can deal with every situation originated through the diverse degree of IT unrest. This will facilitate organizations to implement a very practical plan during a high turbulence period at the same time allow the organization to grab growth opportunities during a modest turbulence period.

The research paper also enlightens the importance of pricing capacity which can translate risk-taking attitude into meaningful performance. Through pricing capacity, an organization can build a competitive edge; having a pricing plan which is in alignment with risk governance of an organization can go a long way in achieving desired objectives (Dai & Meng, 2015). Organization need to nurture an environment which inspires risk-taking attitude; this will help the organization to respond to environmental turbulence in a more corrective way through a structure which is well versed with a different type of risk.

(Al-Najjar, 2015) highlighted in his research paper that the organization needs to establish a structure which allows sharing risk-related awareness across the organization. This structure will further facilitate in building a learning environment. The main idea is to minimize the risk factor associated with performance but also establishing a research base that allows the timely discovery of any risk during IT unrest and accordingly takes corrective measures. The importance of training and development cannot be ignored so it becomes imperative for managers to organize such sessions which educated employees on how to gauge the risk.

Limitation

The study has some limitation; data were gathered through a questionnaire which was sent through email, the possibility of respondent giving correct answer rather than the actual answer is always there which make data more subjective rather than objective. Similarly, the respondent was told that findings would be shared to encourage them to reply and increase the response rate, this may also lead to subjective reply. The research was mainly focused on got most recognition from SMEs whose owners were also working in an administrative capacity. These types of organizations do not have strict compliance, whereas many organizations have rigid protocols to follow which include installing an IT system with stringent security. Such type of practices is usually not associated with SME. Having an IT system in place also push the organization to work on enhancing the capabilities of their employees which allow them to decide considering the risk factor. So future research papers can take note of this all-important point and dig how this procedure supports employees during decision making. Similarly, employee viewpoint will also have a fair share of importance which can infer the actual process of risk-taking attitude and performance. Data was collected from SME operating in Indonesia which has an industrialized economy; SMEs have a fair share of contribution in the country's GDP. SMEs operating in Indonesia have their struggles as well as flourishing opportunities so it will be difficult to generalize the findings as every country has its unique social, cultural and environmental context.

Conclusion

The research paper has investigated an entrepreneurial approach at the same time provided experiential proof to validate that the risk-taking attitude has a progressive influence on organizational performance. The study has expanded the present scope of risk-taking attitude by adding an important factor of IT unrest in the overall scenario, similarly how different levels of IT turmoil can alter the effect risk-taking attitude has on organizational performance. The other important point of consideration was the effect of risk-taking attitude on pricing capacity, which can generate positive results. The study has use pricing capacity as a mediating variable to fully explore the intricate connection between risk-taking attitude and organizational performance utilizing risk governance as a magnifying glass to better understand this complex scenario.

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