Inspire Intrapreneurship through Management Support: 
The New Competitive Edge

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ABSTRACT
In the contemporary business world, innovation is more critical than ever. Unlike before, every organization is aware of the significance of innovation in gaining and sustaining competitive advantage over rivals. However, organizations can be more innovative just by triggering and uplifting the intrapreneurial spirit of the employees with the management support. But currently the policies, structures and systems which are developed by the management of the organization tend to isolate innovative and creative employees by demoralizing them from sharing valuable novel insights. There are certain instances where the management agrees with the new idea but later on they encourage employees to continue their work in the traditional way as they are reluctant to move away from their comfort zones. However, there is scant number of evidences from Sri Lankan context. Therefore, the objective of the study is to assess the impact of management support on intrapreneurship with special reference to apparel industry in Sri Lanka. With a standard questionnaire, responses were obtained from 240 non-executive employees from three leading apparel sector organizations in Sri Lanka. Results of regression analysis proved that managerial support significantly impacts on intrapreneurship and as a percentage it is 53.2%. Even in reality, intrapreneurs cannot recognize, nurture or inspire without the support of the management. Hence, management of the organization needs to create a better atmosphere not just to create intrapreneurs but also to recognize and encourage such intrapreneurial employees at workplace.

Keywords- Apparel Sector, Intrapreneurship, Management Support, Sri Lanka

I. INTRODUCTION
In an erratic world of work, employers ponder twice before hiring candidates with traditional competencies as creativity and innovation act as prerequisites to gain and sustain competitive advantage (Srivastava, 2013). By nature, entrepreneurs are great innovators and therefore, employers prefer to attract and retain employees who are more or less similar to entrepreneurs (Mizar and Vollmer, 2019). This ensures that the entrepreneurial spirit of the organization is alive. But in order to do so, management needs to keep their eyes open to detect employees who are embedded with entrepreneurial traits and competencies as they drive the organization to the cutting edge. Today, employees who just follow the instructions and perform only the tasks which are being asked to do are comparable to robots. Unfortunately with in the current context, such employees are becoming obsolete very soon. Therefore, companies prefer to have employees who can think, act and react just like entrepreneurs (Garvin and Levesque, 2014).

Irrespective of the scope and nature, companies around the world are interested in developing their own incubators at workplace in order to inspire employees to involve in radical innovations (Gonthier and Chirita, 2019). Such companies are eager to attract and retain employees who are driven by entrepreneurial knowledge, skills and attitudes. In other words, successful employers have a burning desire to identify employees who are innovative and keen on fulfilling their own passion. But an employee can become an intrapreneur only when the employer has given the freedom to act as an entrepreneur in the organization (Sulthanagoda, 2018). By nature, employees with intrapreneurial behaviors are eager to capture unique opportunities available within the organization. By doing so, employees will be able to recognize their own ideas and can act as entrepreneurs even without being the proprietor of the business. This encourages employees to challenge the status quo of the organization in a more solid way.

According to Heinonen and Korvela (2003), intrapreneurship is a prerequisite for organization’s growth, profitability and long term survival. On the other hand, employee gets the opportunity to work for his or her organization and also to form a new business (Sulthanagoda, 2018). Giant organizations such as Google have already injected the concept ‘intrapreneurship’ to their corporate strategy and rigorously encouraging employees to involve in their own projects and in return employees are compensated for their entrepreneurial ideas (Groysberg, Thomas, & Wagonfeld, 2011). Further, Google has allocated a specific time period for employees as “20% time” to nurture creativity and innovation endlessly. This means employees are allowed to devote
twenty percent of their working hours for projects which can enhance their creativity and innovation.

Research Problem

Typically even an employee in the corporate world might have an inner desire to become an entrepreneur (Symonds, 2013). But the employee might feel like it is impossible to fulfill his or her entrepreneurial thoughts and desires without quitting from the current job. But fortunately, with the notion of ‘intrapreneurship’, employees in twenty first century need not to quit from their jobs to become entrepreneurs (Symonds, 2013). Hence, the term intrapreneurship has become a buzz word in the corporate world and organizations should support employees to practice their entrepreneurial competencies at workplace. The management can inspire its human resources to bring novel ideas and techniques to workplace by empowering them to think out of the box. Merely this would be beneficial to the organization as successful ideas can be converted into lucrative endeavors.

However, the policies, structures and systems which are developed by the management of the organization tend to isolate innovative and creative employees by demoralizing them from sharing valuable novel insights (Price, 2019). Irrespective of the job, employees at all levels have exclusive ideas and views, but for some reason they may not feel confident enough to share it within the organization. For instance, an employee who is at lower level in the hierarchy might innovatively suggest a solution for a prevailing issue in the organization where superiors in the hierarchy would never consider. If management views lower level employees as unnecessary and less valuable, his or her idea might not considered as important and will never get shared (Vuroi and Huy, 2016). On the other hand, top managers who are keen on their status are threatened by innovative employees under them (Sherf, 2019). Such managers tend to believe that maintaining the formal hierarchy is far more important than giving opportunities for employees to promote their novel ideas at workplace (Sherf, 2019). This is mainly because upper level managers are in fear of losing their position and status. Further at certain times, management agrees with the new idea but later on they encourage employees to continue their work in the traditional way as they are reluctant to move away from their comfort zones. By doing so employees tend believe that the management doesn’t want their novel ideas and even in future such employees might not eager share their valuable insights (Hurt and Dye, 2020) for the betterment of the organization.

Today, Sri Lanka is moving towards a “creative economy” and industries are encouraged to promote and make money from ideas (Abeysekara, 2020). This encourages employers to achieve greater market edge. But most of the organizations in Sri Lanka are risk averse and more likely to maintain the status quo (Lawless, 2018). Though, management support has been identified as a major contributor to foster intrapreneurship (Schachtebeck and Nieuwenhuizen, 2015) within Sri Lankan context, intrapreneurs are destroyed much more often than it gets supported from the management (Sarvananthan, 2011). For instance, “we didn’t recruit you to fix our company” and “we didn’t ask you for your ideas and it is not your job to think about that” (Hurt and Dye, 2020) such kind of feedback can be expected from the management. However in Sri Lankan context, scant number of studies has been conducted up to date investigating the impact of managerial support on intrapreneurship with special reference to apparel industry in Sri Lanka.

Research Question

Does management support affect intrapreneurship of apparel sector employees in Sri Lanka?

Research Objective

To assess the effect of management support on intrapreneurship of apparel sector employees in Sri Lanka

II. LITERATURE REVIEW

Intrapreneurship

Jones and Butler (1992) viewed the concept ‘intrapreneurship’ as internal corporate entrepreneurship, Vesper (1990) defined it as corporate venturing and Antonicic and Hisrich (2004) viewed it as corporate entrepreneurship. According to Antonicic and Hisrich (2003) the actions of employees which leads to innovation of products, services or processes is known as intrapreneurship. Simply, intrapreneur is an employee who acts just like an entrepreneur with in the organizational setting. In other words, intrapreneurship cherishes employees who have enterprising attitude in the organization (Kenney and Mujtaba, 2007). However, the term ‘intrapreneurship’ is a concept which derived from the major discipline ‘entrepreneurship’ (Amo and Kolvereid, 2005). There are key differences and similarities between intrapreneurship and entrepreneurship.

Firstly, intrapreneurship takes place with an organization (Kenney and Mujtaba, 2007). However, the term ‘intrapreneurship’ is a concept which derived from the major discipline ‘entrepreneurship’ (Amo and Kolvereid, 2005). There are key differences and similarities between intrapreneurship and entrepreneurship. Firstly, intrapreneurship takes place with an organization and it focus on employees. But, entrepreneurship is externally focused (Amo and Kolvereid, 2005). Employees who engage in intrapreneurship get the opportunity to utilize organization’s resources but unfortunately, entrepreneurs have to utilize its own resources (Morris et al., 2008). Though, intrapreneurs are obliged to follow organization’s rules systems and procedures (Honig, 2001) entrepreneurs are free from such obligations.
According to Tastan and Gucel (2014) some organizations encourage employees to demonstrate intrapreneurial behaviors to foster innovation, ensure long term profitability and to gain competitive advantage over rivals. However, intrapreneurship plays a crucial role in both domestic and international markets to gain and sustain competitive edge over rivals (Ahmad et al., 2012). Antoncic and Hisrich (2001) discovered intrapreneurship as a growth strategy and at the same time it ensures profitability of the organization to a greater extent than traditional managerial orientation (Antoncic, 2007). Employees tend to become accountable for their own job when they are highly encouraged to think and act as entrepreneurs.

The work environment plays a crucial role in inspiring intrapreneurship. According to literature there are two main antecedents which inspire intrapreneurial behavior as organizational characteristics and external environment (Tastan and Gucel, 2014). The organizational characteristics highlight the intrapreneurial behavior that takes place at individual level. Management support, organization structure, organization culture, communication process and organizational values can be viewed as organizational characteristics (Antoncic, 2007). The external environment highlights the intrapreneurial behavior that takes place at organizational level.

Management Support

Indeed, management support is necessary to inspire and enhance intrapreneurial behaviors and movements (Kuratko et al., 2014). For instance, acknowledging people who express innovative ideas, allocating tangible and intangible resources, embedding intra entrepreneurship concepts, principles and values to corporate decisions, culture and systems (Batson and Yoder, 2012). Primarily intrapreneurship behavior of employees can be inspired and nurtured by implementing effective human resource management practices (Guo, 2014). For instance according to Batson and Yoder (2012) managerial support can be exhibited in terms of mentoring, coaching and directing and subsequently by empowering employees along with intrinsic motivation. By doing so, employees are intrinsically empowered and motivated to exhibit intra entrepreneurial behaviors at workplace. Management needs to provide autonomy in a way that employees can do experiments and to execute innovative ideas promptly (Antoncic and Hisrich, 2004). Most importantly, Monsen et al., (2010) highlighted the significance of providing training and development opportunities for intrapreneurs to improve their knowledge, skills and other competencies required to think out of the box. On the other hand, even financially managerial support can be provided to uplift intrapreneurship at workplace. Antoncic and Hisrich (2004) emphasized the importance of providing meaningful financial rewards and other incentives to motivate intrapreneurship. In a nutshell, managerial support is highly required to set realistic goals and objectives, to maintain healthy interpersonal relationships, to distribute scarce resources efficiently and effectively and also to provide constructive feedback to employees who demonstrate intrapreneurial behaviors at workplace (Batson and Yoder, 2012). According to Scheepers (2011) the employee’s willingness and ability to demonstrate intrapreneurship behavior largely depends on how he or she is rewarded by the management. Rewards can be either formal or informal. For instance, an employee might have successfully completed a project or might have given a brilliant cost reduction idea and in return company can offer a bonus, salary increment or even a foreign tour (Block and Macillan, 2003). However, this can also discourage future intrapreneurial behaviors of employees as their valuable effort and outcome is not linked to a specific reward system (Scheepers, 2011). Therefore, Chandler et al. (2000) identified the need for special financial and non-financial recognition programs for intrapreneurial assignments. However, companies who prefer to encourage intrapreneurial behaviors at workplace should focus more on monetary rewards (Block and Macillan, 2003). By having a sound intrapreneurial reward system employees are encouraged to bear the risk by accepting challenges at given cost (Chandler et al., 2000).

Management Support and Intrapreneurship

In any organization top management is the driving force for creativity and innovation (Deprez and Euvwema, 2017). According to Antoncic and Hisrich (2004), intra entrepreneurship can be nurtured in a favorable work environment where management support is proactive. This inspires employees to believe innovation is an indispensable skill that is highly demanded from all levels of employees in the organization (De Villers-Scheepers, 2012). Simply in each and every job, innovation or idea generation should be a fundamental expectation and in order to do so management should support employees to enhance their innovation skills. Even Salehi and Yousefi (2011) found that within the banking industry, managerial support is highly necessary to enhance entrepreneurial behaviors of its employees. Further, Kanwal et al. (2019) proved that within the banking sector of Pakistan, the contribution of management support to intrapreneurship is indispensable compared to other factors such as work life balance, work discretion and reward system. The hypothesis therefore posits:
**III. METHODOLOGY**

The present study was a quantitative study based on positivism philosophy and deductive approach. The population of the study was 800 non-executive employees of three leading apparel sector organizations in Sri Lanka. Based on the Morgan table 260 non-executive employees were taken as the sample. However, for the final analysis only 240 questionnaires were usable. To measure intrapreneurship, researcher prepared a standard questionnaire with five point Likert scale using three dimensional scale initiated by Stull (2005). According to this scale the three dimensions were innovation, risk taking and pro-activeness. Further, in each dimension there were five questions. To measure management support researcher obtained nineteen questions from corporate entrepreneurship assessment instrument developed by Hornsby (2002). The questionnaire consisted of three sections. Section A addressed the respondent’s profile, section B and section C included questions related to managerial support and intrapreneurship respectively. To check the reliability of these instruments researcher conducted a pilot study with 30 participants. The Cronbach’s α value for managerial support and intrapreneurship was 0.931 and 0.917 respectively. Overall hypotheses testing were done using regression analysis with the support of SPSS version 19.

**Hypotheses Testing**

**H1:** Management support has a positive effect on intrapreneurship.

**Table 1: Respondent’s Profile**

<table>
<thead>
<tr>
<th>Demographic Factor</th>
<th>Category</th>
<th>Frequency</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>112</td>
<td>46.7%</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>128</td>
<td>53.3%</td>
</tr>
<tr>
<td>Age</td>
<td>20-29 years</td>
<td>135</td>
<td>56.2%</td>
</tr>
<tr>
<td></td>
<td>30-39 years</td>
<td>60</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td>40-49 years</td>
<td>35</td>
<td>14.6%</td>
</tr>
</tbody>
</table>

According to this study, majority of the participants were female employees and as a percentage it was 53.3%. In relation to age category majority of the respondents were in between 20-29 years and as a percentage it was 56.2%. 39.5% of respondents had 7-11 years of work experience and finally according to level of education 72% of the participants had a diploma qualification during the period of the study.

**Table 2: Model Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.730&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.532</td>
<td>.530</td>
<td>.32428</td>
</tr>
</tbody>
</table>

*a. Predictors: (Constant), Management Support*

**Table 3: ANOVA**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>28.487</td>
<td>1</td>
<td>28.487</td>
<td>270.897</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>25.027</td>
<td>238</td>
<td>.105</td>
<td></td>
</tr>
</tbody>
</table>

*a. Predictors: (Constant), Management Support*

**b. Dependent Variable: Intrapreneurship**
The correlation coefficient value (R) of management support was 0.730. This confirmed that there is a strong positive correlation between management support and intrapreneurship. Based on the R square value (0.532) management support can account only for 53.2 % of variance in intrapreneurship. Based on the ANOVA table the Sig value was 0.000 (less than 0.05) and F value was 270.897 and it showed the goodness of fit. This indicated that management support can significantly predict intrapreneurship. Further, the linear regression equation was derived using the coefficient table and it was statistically significant (Intrapreneurship= 1.198 + 0.712 * Management Support). This means that increase in one unit of management support results in an increase of 0.712 units of intrapreneurship. Hence, researcher accepted H₁ where management support has a positive effect on intrapreneurship.

V. CONCLUSION

In a turbulent knowledge based era, intrapreneurship is a unique value adding competency. Now a day, companies cannot create value just by relying on their physical assets and it can be successfully achieved only by utilizing intangible assets such as creativity, innovation and intrapreneurship (Allee, 2000). By nature, intrapreneurs are enthusiastic to challenge the status quo by going beyond the traditional boundaries of the organization. In other words, intrapreneurs are eager to go beyond their formal job description and love to accept challenges within and outside the organization. Knowingly or unknowingly, in almost every organization there are intrapreneurs. But, intrapreneurs cannot recognize, nurture or inspire without the support of the management. Even researcher of the present study proved that managerial support has 53.2% of a significant impact on intrapreneurship. The findings of this present study were in line with the findings of the previous studies conducted by Kanwal et al. (2019), Salehi and Yousefi (2011) and Antonicic and Hisrich (2004). Hence, management of the organization needs to create a better atmosphere not just to create intrapreneurs but also to recognize and encourage such employees at workplace.

VI. IMPLICATIONS

By initiating an intrapreneurship strategy, company will be able to push the key performers to the next level. Initially, management needs to develop a vision of intrapreneurship and that should be clearly communicated to all employees. On the other hand, by accelerating the intrapreneurship strategy company will be able to experience a remarkable growth along with committed and highly engaged workforce. By doing so directly and directly company gets the opportunity to maximize its bottom line by utilizing its scarce resources in the best possible way. And also, management needs to shift from the traditional organizational structure to an organic structure along with decentralization of authority. Further, irrespective of the level and position of the job all employees should be empowered to implement groundbreaking initiatives. Even management can formulate a separate intrapreneurial team in the organization. This team can promote healthy rivalry among employees while empowering them to implement their novel ideas within the organization. At the same time, management needs to tolerate failures and should not punish employees for their mistakes. Instead encourage employees to learn from their mistakes and failures.

REFERENCES


