

# Organizational Antecedents and Intrapreneurial Intensity of State Owned Enterprises after the Structural Adjustment Policy

Case of the Electricity Department of Société Minière de Kilo-Moto in Democratic Republic of Congo

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## Abstract

This study aimed at establishing the relationship between organizational antecedents and intrapreneurial intensity in the electricity department of Société Minière de Kilo Moto in Democratic Republic of Congo after the liberalization policy. The sample of 71 directors, senior and middle managers was used. The quantitative approach was used. A descriptive and correlation research design and multiple regression analysis were used. Findings revealed that there was a positive and significant relationship between organizational antecedents and intrapreneurial intensity denoted by  $r=0.566$  at a significance level of 0.05 with p- value of 0.000. Thus, the organizational antecedents contribute to the intrapreneurial intensity at 32,03%. The multiple regression analysis showed that F value (9.308) is greater than the critical value (2.37) meaning that the independent variables explain the variations in the dependent variable. The government should facilitate the process of commercialization of the company and adopt the management by objective and performance contracts when hiring managers.

## 1. Introduction

In the present constantly changing and highly competitive business environment, firms are obliged to have a high level of intrapreneurial intensity by being more innovative, risk-takers and proactive (Lee et Pennings 2001). Therefore, embracing intrapreneurship becomes a necessity for firms (Antoncic et Hisrich 2001).

An innovative firm has the ability to generate ideas that will culminate in the production of new products, services and technologies (Covin et Slevin 1989, Lumpkin et Dess 2001, Antoncic et Antoncic 2011, Mokaya 2012, Linyiru 2015). The risk-taking dimension demonstrates the firm's willingness to pursue opportunities that have a reasonable likelihood of producing losses (Scheepers 2012, Kuratko, Hornsby et Covin 2014). Risk-taking tendency may be the degree of pursuit of opportunities, fast assurance of resources, bold actions, and commitment to reduce risk factors in order to minimize losses. And proactiveness indicates the top management's posture towards opportunities, encouragement of initiatives, competitive aggressiveness and confidence in pursuing firm competitiveness (Scheepers 2012, Karacaoglu, Bayrakdaroglu et Botan 2013).

In Africa, specifically in South Africa, authors acknowledge that, firms' intrapreneurship intensity is most strongly influenced by management support for intrapreneurship, autonomy of employees, and rewards for intrapreneurship (Scheepers, Hough et Bloom 2008).

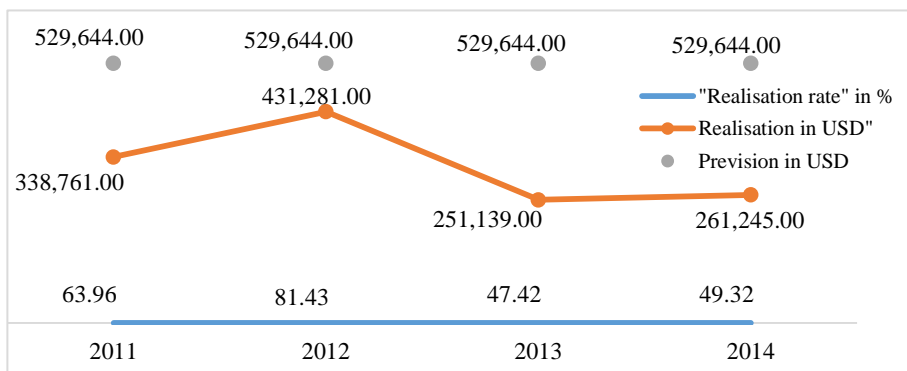
In Democratic Republic of Congo, the endemic lack of intrapreneurship intensity in public enterprises caused by limited managerial autonomy, ineffective reward and punishment systems, weak financial disciplines, etc. (Democratic Republic of Congo, Loi N° 08/008 of 07 July, 2008, preamble; Rubbers, 2006; Lukunga, 2013) has forced the government to reform its companies under the structural adjustment programs (SAPs). This policy went through three specific solutions (Democratic Republic of Congo,

Décret N° 09/12 of 24 April 2009). Six of the public enterprises were selected to be dissolved and sold off; other twenty are transformed into public service corporations; five are transformed into public services and twenty others have been transformed into commercial companies. This last category is the one interesting the present work. Among them, there was la Société Minière de Kilo Moto the object of the present study.

The commercialization reforms of Société Minière de Kilo Moto were required in order to improve the company’s internal environment by giving more autonomy to its managers through its removal from the government’s budget and hieratical control. Henceforth the company is subjected to the market forces (Democratic Republic of Congo, Loi N° 08/008 of 07 July, 2008, preamble) in order to pick up the company’s intrapreneurial intensity by pushing its managers to become more engaged in terms of innovativeness, risk taking, proactiveness. In that perspective, the reforms intended to increase the organization’s sustained effort for intrapreneurship by improving the level of the firm’s management support; autonomy; reward; time availability and boundaries since in established firms, the intrapreneurial intensity is often influenced by the internal environment (Kyrgidou et Hughes 2010, Van Wyk 2011, Kuratko, Hornsby et Covin 2014).

However, after the commercialization and autonomisation reform, the company is not producing good results. It has difficulties to pay out salaries; in fact, employees do not receive the totality of their monthly salary. In May, 2015, 1075 employees of the company were claiming 24 months of arrears of salary ([www.radiookapi.net](http://www.radiookapi.net)). Its financial realizations are sloping. For instance, from 2011 to 2014 as shown in table one the company’s electricity department realized respectively 63.96%, 81.43%, 47.42% and 49.32% of its financial provisions.

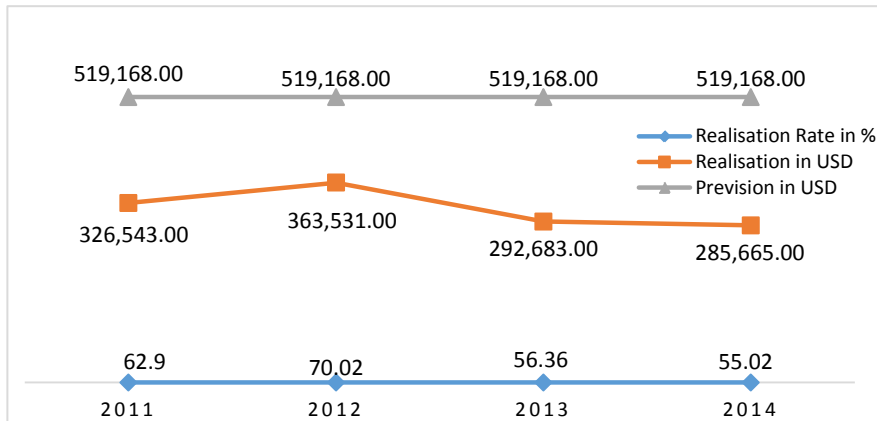
**Appendix I: Income Provisions and Realizations 2011- 2014 in USD**



**Source:** SOKIMO, Accounting reports of Société Minière de Kilo-Moto (2011-2014)

Figure 1: Income Provisions and Realizations 2011- 2014 in USD

### Expenses Provisions and Realizations 2011-2014 in USD



Source: SOKIMO, Accounting reports of Société Minière de Kilo-Moto (2011-2014)

Figure 2: Expenses Provisions and Realizations 2011-2014 in USD

Furthermore, in the same period, the company’s electricity production, in terms of operating hours, has remained sloping at 95.5%, 89.1%, 40.9% and 42.3% (Société Minière de Kilo Moto, monitoring Reports 2011 to 2014). At the same moment, there is a growing need for electricity in the region especially in Bunia, because of high demographic growth of about 25% (Administrative reports of Bunia city 2011-2014). There is rapid transformation of socio-economic infrastructures and households’ energy consumption. At least 10% of their monthly budgets are committed to energy consumption. And 75% (Ruba 2014) of these energy expenses are realized to buy only charcoal since the quality of the electricity provided by Société Minière de Kilo Moto does not permit them to use it for cooking and other related activities. This due to the low intensity of the electricity, constant breakdowns, lateness or absence of repairs in case of breakdowns, misapplications, poor system of maintenance, theft of wires, etc. Despite the governments’ intervention so as to enhance the management support for intrapreneurship, the company’s autonomy, etc. managers and employees across the firm seem to not be engaged in intrapreneurship; they are not able to spark new ideas, they lack willingness to pursue opportunities and they seem actually to be stuck (Mutuale 2015). This situation necessitates prompt investigation to be established to find the cause of poor intrapreneurship intensity of the company.

Since the government’s intervention in restructuring la Société Minière de Kilo Moto, there has still been a concern about the lack of intrapreneurship in this company, especially in its electricity department. At the same time, there is a growing evidence of employees’ declining morale and management lack of activeness which are exhibited by constant breakdowns, lateness or absence of reparations in case of breakdowns, poor system of maintenance, absence of equipment renewal, theft of wires, misapplications, high rate of absenteeism among employees, etc. Yet, the commercialization of the company was needed to improve the intrapreneurship intensity of that state owned company. Thus, one would wonder whether there is a relationship between organizational antecedents and intrapreneurship intensity within the electricity department of Société Minière de Kilo Moto after the government’s intervention through commercialization and autonomisation of this company.

## 2. Literature Review

### 2.1 Intrapreneurial Intensity

The concept intrapreneurship intensity can be defined as the degree of the entrepreneurial activities realized within an existing organization, as it tends to create new business ventures, to foster innovative activities such as development of new products, services, technologies, strategies, competitive attitudes, etc. (Lumpkin and Dess 2005, Davis 2006, Ireland, Covin and Kuratko 2009, Scheepers 2012). Thus, a firm adopting an intrapreneurial posture is characterized by a high level of intrapreneurial intensity, meaning, its employees and management are engaged in innovativeness, proactiveness and risk-taking.

Innovativeness refers to the firm's propensity to find new opportunities, novel solutions (Lumpkin and Dess 2005, Awang, et al. 2010), novel processes; to push to and support creativity and experimentation that should result in new products, new services, or improved technological processes. Innovation can be understood like the capacity to improve, to increase, to remodel, to ameliorate, etc. an existing product, process or service. Hence, an innovative activity in a firm can be developing new production techniques, new products or upgrading the quality of existing products (Amiti and Khandelwal 2010). The dimensions of innovation can be the firm's degree of attention to research and development, the degree of the consideration given to new idea/approach; degree to which employees are free to spark new idea, degree of participation of employees in firm's planning.

Proactiveness is the firm's effort to be ahead of others in using new knowledge and technologies, to seek out opportunities, to anticipate future needs and take action quickly and decisively (Lumpkin and Dess 2005). Proactiveness involves initiative taking, a commitment to implementing new business processes, firm's ability to continuously monitor trends and identify future needs of customers, firm's ability to anticipate future demand, firm's effort to be a "first mover" to capture the benefits of being the principal supplier or producer of a given good or service.

Risk-taking means the willingness to pursue opportunities that have a reasonable likelihood of producing losses. To obtain high financial returns, firms take such risks. In a strategic context, there are three types of risks. (a) "*venturing into the unknown* without knowing the probability of success," (b) "*financial risk-taking* requires that a company borrow heavily or commit a large portion of its resources in order to grow" and (c) "*personal risk-taking* refers to the risks that an executive assumes in taking a stand in favor of a strategic course of action. Executives taking such risks expect to influence the course of the whole company and this kind of decision can have significant implications for their careers" (Lumpkin and Dess 2005, 152). Risk-taking conveys a sense of uncertainty in any entrepreneurial activity (Lumpkin and Dess 1996). Hence, its dimensions can be the degree of pursuit of opportunities, fast assurance of resources, bold actions, and commitment to reduce risk factors in order to minimize losses.

### 2.2 Organizational Antecedents

Entrepreneurial behaviour within an existing organization is facilitated by creating and authenticating the favourable conditions to value, to back or to support entrepreneurial initiatives realized by employees (Scheepers 2012). Those conditions are the organizational antecedents. They are relevant internal factors on which the internal entrepreneurship should be implemented (Hornsby, Holt and Kuratko 2008).

Furthermore, they determine the firm-level entrepreneurship. Thus, the intrapreneurial intensity of firms is strongly related to their organizational antecedents.

Measuring the intrapreneurship level of a firm enables the business to assess its internal environment and appropriately apply knowledge management practices to proactively implement and maintain a dynamic corporate entrepreneurial environment (Hornsby, Holt and Kuratko 2008). It empowers management to identify, effectively communicate and support critical factors that can enhance entrepreneurial actions within their organizations.

To measure that level of the organization in supporting internal entrepreneurship, previous researches for instance Hornsby, Holt & Kuratko (2008), Van Wyk & Adonisi (2011), Scheepers (2012), used the Corporate Entrepreneurship Assessment Instrument (CEAI) developed by Kuratko, Montagno, & Hornsby (1990) and Hornsby, Kuratko & Zahra (2002). This instrument considers relevant five factors as antecedents, namely (1) Management support, (2) Work discretion, (3) Rewards/ reinforcement, (4) Time availability and (5) Organizational boundaries. Thus, the present study has considered relevant the five organizational antecedents namely management support, work discretion, rewards/ reinforcement, time availability and organizational boundaries.

### 2.3 Theoretical Framework

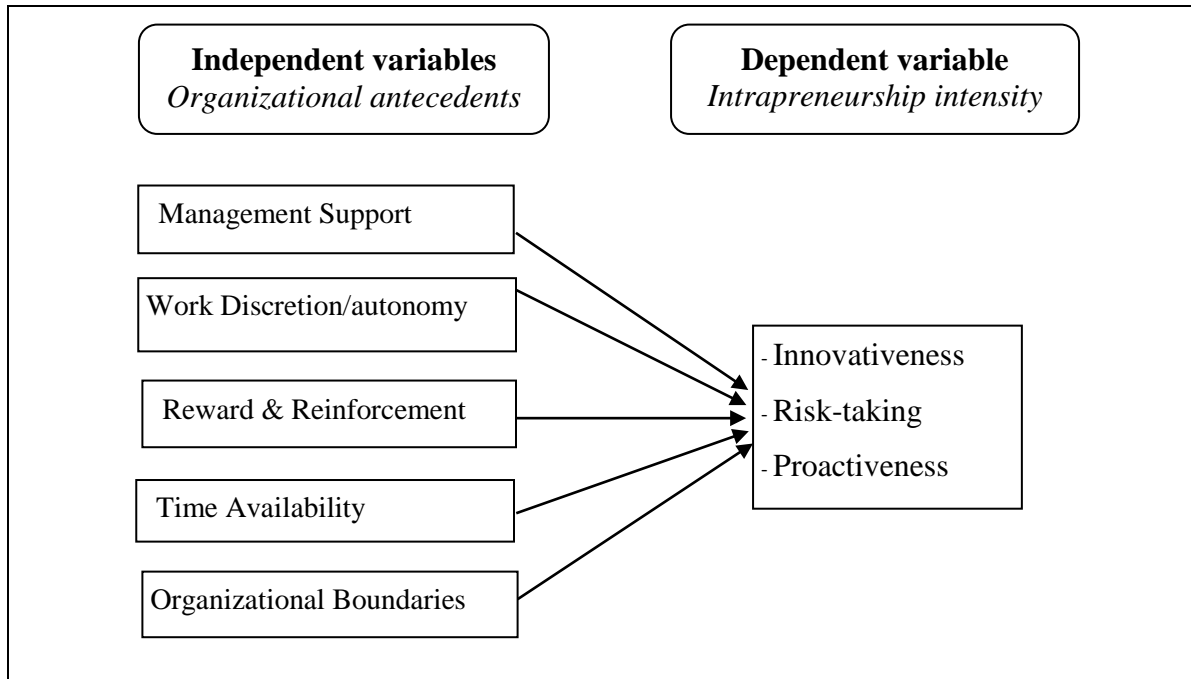
The study uses the Herzberg's Motivator-Hygiene Theory (1964) stating that within organizations, there are two types of factors: Motivator and Hygiene that lead employees to perform well at workplace. Hygiene, or maintenance factors include salary, supervision, working conditions, etc. they cause dissatisfaction when they are not present, but do not motivate for better performance. Others are motivational factors and include items such as achievement, recognition, responsibility and the nature of the work itself; when they are present, they build job satisfaction and motivate employees to perform well their tasks (Kroth 2007, Ganta 2014). In addition, Yudhvir & Sunita (Yundhvir and Sunita 2012) assume that the success of any organization largely depends on the motivation of its employees due to various factors including environmental factors such as processes, structure, resources, rewards, etc.

### 3. Organizational Antecedents and Firm Intrapreneurship Intensity

Organizational antecedents help a firm to shape properly its environment so as to influence the entrepreneurial ability of the organization. Public and private firms operate actually in a very competitive environment which necessitates a high degree of intrapreneurial behaviour to gain competitive advantage. But these last three decades public firms have been accused for their poor results, the lack of intrapreneurship, low degree of commitment of their workers and managers, etc. (Chang 2007, Kim and Chung 2007 ) because of the nature of their internal environment that does not encourage for a high degree of entrepreneurial behaviour.

Conditions that lead an individual, a group of people as well as the whole organization to engage in entrepreneurial activities such as innovation, opportunity identification and exploitation, risk taking, and proactiveness are considered to be an entrepreneurial environment, composed of five specific factors,

namely management support, work discretion/autonomy, rewards/reinforcement, time availability, and organizational boundaries.



**Source:** The structure and content were adopted from Van Wyk & Adonisi (2011); Ahmad, Nasurdin & Zainal (2012) and adapted by the Researcher.

Figure 1. Conceptual Framework

Figure 3 (Framework) demonstrates the proposed relationships among the variables examined in this study. It illustrates the direct relationship between organizational antecedents and intrapreneurial intensity. It means, as suggested by the literature, organizational antecedents are presumed to have a direct impact on the intrapreneurship intensity of the firm. It implies that the degree of internal entrepreneurship in a state owned enterprise depends on the level of its organizational antecedents.

#### 4.1 Management Support and Intrapreneurial Intensity

Management support indicates the willingness of managers to take into consideration the encouragement and facilitation of entrepreneurial activities initiatives within a firm. It can take different forms, including championing innovative ideas, recognition of people who articulate ideas, providing the necessary resources or expertise, such as seed money to initiate ideas, or institutionalizing the entrepreneurial activity within the firm’s system and processes (Hornsby, Kuratko and Zahra 2002, Rauch, et al. 2009, Alipour, Idris and Karimi 2011). Managerial support encourages promotes entrepreneurial behaviour by tolerating and learning from failure.

As acknowledged by the literature, the influence of the strategic direction set by top management influences the corporate entrepreneurship intensity. The top management sets the overall strategy to encourage employees to behave more entrepreneurially. The inclination of the top managers toward risky,

innovative, and proactive behaviours sends a signal throughout the organization on how these behaviours are encouraged (Covin and Slevin 1991, Scheepers 2012). Hence, the top management's propensity toward entrepreneurial behaviours will encourage employees to act innovatively, proactively and to be able to take risk in their action, knowing that their actions are backed by their bosses. Thus the following is hypothesised:

*H1: The intrapreneurial intensity of the firm is positively influenced by the degree of management support given to employees.*

#### 4.2 Work Discretion /Autonomy and Intrapreneurial Intensity

Work discretion termed also as autonomy, refers to the extent to which the organization's top managers tolerate failure, provide decision making latitude and freedom from excessive oversight, and delegate authority and responsibility to lower level workers within the organization (Hornsby, Kuratko and Zahra 2002, Rauch, et al. 2009, Alipour, Idris and Karimi 2011). In other words, the autonomy refers to the degree of freedom in decision making given to employees so as to set them free from tough or strict control, so as to allow initiatives that can enhance the development of new ideas.

Hertog (2010) considers it as a coherent regime that can make economic decisions independently of larger interest groups within the organization, or the ability given to lower managers or employees to set strategies reasonably and select teams to implement them accordingly. Lumpkin and Dess (1996) define it like an independent action of an individual or a team in bringing forth an idea or a vision and carrying it through to completion; [...] it means the ability and will to be self-directed in the pursuit of opportunities (140).

The lack of managerial autonomy in decision making has been considered as one of sources of inefficiency of SOEs both in developed and developing countries (Gunasekar and Sarkar 2014). It results usually from the excessive intervention and control exercised by politicians, bureaucrats but also top managers in most operational matters in SOEs (OECD 2005, 2014). The politicians' intervention arises in different aspects. It may be the political nomination of management and board members, desire to cater to the demands of various interest groups that constitute their vote banks or source for other private interests (Gupta 2008).

The control of politicians on SOEs influences many decisions within those entities. It can be distorting pricing, influencing recruitment processes, investment, location, and resource allocation, etc. All those interferences adversely affect the course of management and the dynamism of SOEs in enhancing the intensity of the intrapreneurship within those organizations.

However, empirical studies (Gunasekar and Sarkar 2014, Gupta 2008, Filatotchev, Isachenkova and Mickiewicz 2005) suggest that enterprise autonomy (through performance contracts) has a positive and statistically significant effect on SOE performance. Moreover, theories of decentralization, agency theory (Eisenhardt 1989), and incentive contracts, support that imparting greater decision making control to SOE managers or employees can produce efficiency gains if resources through good choices (on operational factors such as costs, technology and demand) are well used for alleviating agency costs.

Autonomy refers to the degree of freedom in decision making given to employees so as to set them free from tough or strict control, so as to allow initiatives that can enhance the development of new ideas. It sets employees free and makes them responsible in initiating new ideas or new actions that could lead into increase the intensity of the intrapreneurship within the organization. The literature recognizes that it is only when employees feel that they are free or self-directed that, they initiate independent actions in bringing forth an idea or a vision and carrying it through to completion (Lumpkin and Dess 1996).

Hence, the autonomy leads employees to act responsibly as they understand their responsibility and evaluate the negative and positive outcomes of their actions or ideas; because they will be the ones to be blamed or praised according to the results. In that perspective, employees may become committed to initiate new ideas or actions, to well calculate the risks they may encounter in those initiatives, as well, they may be proactive in starting initiatives that will serve in the future (Scheepers 2012). Thus the following is hypothesized:

*H2: The degree of the firm's intrapreneurial intensity is positively influenced by its employees' autonomy.*

### 4.3 Rewards and Reinforcement

Rewards are monetary and non-monetary recognitions, appraisals or factors given to employees to compensate their performance or to encourage them to perform well their duties. In the present study, rewards and reinforcement refer to the extent to which top managers develop and use systems that reward employees based on performance, highlight significant achievements, and encourage pursuit of challenging work, increasing responsibilities, but also promoting innovative ideas in the organization (Hornsby, Kuratko and Zahra 2002, Ireland, Kuratko and Morris 2006, Kuratko, Morris and Covin 2011). Rewards and reinforcement systems are necessary to bring out and support entrepreneurial behaviour among employees in the organization.

The use of appropriate rewards can encourage employees to adopt more entrepreneurial behaviour to engage in innovative, proactive and moderate risk-taking behaviour (Scheepers 2012)). Thus it can enhance managers' and employees' willingness to assume the risks associated with entrepreneurial activity. Innovative settings are characterized by providing rewards and incentives based on performance, offering challenges, increasing responsibilities, but also to promote innovative ideas in the organization (Hornsby, Kuratko and Zahra 2002, Scheepers 2012).

Innovation involves activities which are highly sensitive to resource allocation within organisations. In that perspective the author argues that resources comprise of the authority to spend, access to the information needed and bootlegging time (Gilbertson 2002, Ahmad, Nasurdin and Zainal 2012). Thus, to stimulate innovative behaviours, the allocation of sufficient resources (time, money, physical, people) is primordial to conceive, develop and implement the ideas.

In the Schumpeterian perspective, entrepreneurship becomes only possible in an organization capable of devoting more resources to innovation (Lumpkin and Dess 1996). And, as acknowledged by the literature, firms with high intensity of entrepreneurship are faced with decisions involving risk taking and the allocation of scarce resources (Rauch, et al. 2009). Hence, it can be stated that resources are the backbone of innovation and creativity, because resources allow the implementation processes of innovation and



creativity, but also they intervene in terms of encouragement or reward to the champions of innovation within the organization.

Rewards and reinforcement are necessary to bring out and support entrepreneurial behaviour among employees in the organization, as they significantly contribute to motivate employees. Thus Schumpeter says that entrepreneurship becomes only possible in an organization that is capable to devote more resources (Lumpkin and Dess 1996). Hence, firms with high intensity of entrepreneurship are faced with decisions involving risk taking and allocating their scarce resources. It can be stated that, organizational antecedents- intrapreneurship relationship will be promising if the firm avails enough resources in terms of rewards and reinforcement. Thus the following is hypothesized:

*H3: The firm's intrapreneurial intensity is positively influenced by resources allocation within the firm.*

#### 4.4 Organizational Boundaries

Organizational boundaries are also known as *role Clarity*. It refers to the extent to which employees feel precisely the explanations of outcomes expected from organizational work and development of mechanisms for evaluating, selecting, and using innovations within the organization (Davis 2006, Ahm12). It refers to authority and ownership, organization's external relations, etc.

Organizational boundaries are useful in the process of the promotion of entrepreneurial activity because they enhance the flow of information between the external environment and the organization and between departments/divisions within the organization (Hornsby, Kuratko and Shepherd, et al. 2009). They allow more senior managers to better access and use this information given their attention is already broadly allocated across the organization and the external environment. First-line managers also benefit from these boundaries but given the structural position, they interact across fewer boundaries due to their narrow job focus and therefore benefit less from boundary permeability.

They refer to the extent to which employees feel precisely the explanations of outcomes expected from organizational work, as well to authority and ownership in the organizational settings (Ahm12). Organizational boundaries are useful in the process of the promotion of entrepreneurial activity because they enhance the flow of information between the external environment and the organization and between departments/divisions within the organization (Hornsby, Kuratko and Shepherd, et al. 2009). Thus, in a highly entrepreneurial environment, there must be less bureaucracy, fewer administrative procedures because only relatively autonomous organizations that are free from most of the bureaucracy are able to pursue corporate entrepreneurship (Zimmerman 2010). Thus the following is hypothesized:

*H4: The firm's intrapreneurial intensity is positively influenced by its level of organizational boundaries.*

#### 4.5 Time Availability

Previous studies (Davis 2006, Ahmad, Nasurdin and Zainal 2012) have reported the importance of time availability as a predictor of intrapreneurship behaviour or corporate entrepreneurship within organizations. Time is one of the resources necessary to foster entrepreneurial behaviour among

employees within a firm. To realize an innovation employees need time. Time availability refers to the extent to which individuals and groups within an organization feel and experience that they have sufficient time to pursue new ideas. Moreover, they felt that their jobs are structured in ways that gives them possibilities to achieve short- and long-term organizational goals, as well as to think, develop and experiment new ideas, new products and new processes.

Hence, it becomes important to evaluate the workloads of the employees to ensure that they have enough time to spend thinking on new ideas, so as to pursue innovation. In that perspective, it is necessary that their jobs should be structured in a manner that it supports the achievement of such goals for example by moderating the workload, avoiding putting constraints on all aspects of the employees' job and allowing people (employees) to work with others.

Time availability is one of the predictors of intrapreneurship intensity within organizations. It refers to the extent to which employees feel and experience that they have sufficient time to pursue new ideas and that their jobs are structured in ways that gives them possibilities to achieve short- and long-term organizational goals, as well as to think, develop and experiment new ideas, new products and new processes (Davis 2006, Ahmad, Nasuridin and Zainal 2012). Thus time is a necessary factor that fosters entrepreneurship behaviour among employees, because to realize innovations, to create new products or ideas, employees need time. Hence, entrepreneurial activities to be realized within the organization it requires adequate time. Thus the following is hypothesized:

*H5: The firm intrapreneurial intensity is positively influenced by the amount of time given to employees to think or act.*

## 5. Research Methodology

The study used descriptive and correlation research design. The multiple regression analysis was used to validate the contribution of independent variables to the model. Moreover, the study adopted Cross-Sectional Survey design as the research intended to look at results at a point in time. The questionnaire was distributed to 89 persons of the company composed of middle managers, senior managers and directors working in the Department of electricity in Bunia (Ituri) and Watsa (Haut-Uélé), made of 113 employees.

The study used stratified random sampling. The population was divided into homogenous subgroups. Then, a simple random sample was taken in each group. The sample was selected in such a way that it ensures that subgroups are represented in the sample in proportion to their number in the entire population of the study. The simple random sampling, census sampling were used for the questionnaire administered to the firm's employees.

### 5.1 Research Instruments

For the collection of the data from the respondents, the study used a as the study instrument. The self-administered questionnaire was adopted from the Corporate Entrepreneurship Assessment Instrument (CEAI) as used by (Kuratko, Montagno and Hornsby 1990, Hornsby, Kuratko and Zahra 2002, Scheepers 2012) with 48 items, with the corresponding Cronbach alpha coefficients (in brackets): Management

support (0.89), Work discretion (0.80), Rewards/reinforcement (0.65), Time availability (0.92) and Organizational boundaries (0.58), was adapted for the present study. The intrapreneurial intensity items were adopted from Lumpkin & Dess (Lumpkin and Dess 2005). The questionnaire was developed using a Likert Scale with five responses index from 1 to 5 (from 1= strongly disagree, to 5=strongly agree).

## 5.2 Validity and Reliability

To ensure the validity, or to test how well the questionnaire measures what it is supposed to measure, the questionnaire used in this research, the reliability test showed the extent to which the research instrument is error free and hence offers consistent measurement for the research. The standardized Cronbach's Alpha coefficient for the global result was (.924).

Table 1: Reliability Statistics

Reliability Statistics		
Cronbach's Alpha	Standardized Cronbach's Alpha	N of Items
.931	.924	50
Variables	Cronbach's Alpha	
<b>Organizational Antecedents</b>	<b>0.898</b>	
Management Support	0.899	
Work Discretion / Autonomy	0.900	
Rewards / Reinforcement	0.896	
Time Availability	0.898	
Organizational Boundaries	0.898	
<b>Intrapreneurial intensity</b>	<b>0.897</b>	

The questionnaire was given to a total of 89 employees as selected by the sampling method. After collection, the researcher obtained 71 valid questionnaires returned which gives a response rate of 80%.

## 6. Results

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.646 <sup>a</sup>	0.417	0.372	7.92419

a. Predictors: (Constant), OrgBound, WorkDiscAuto, ManagSupp, TimeAv, Rewards

b. Dependent Variable: IntrapIntens

The table 2 above shows that the dependent and independent variables had a moderate positive relation with  $r^2 = .417$ . This may be attributed to the fact that some of the firm's organizational antecedents contributed moderately or at low rate in the model. Thus, organizational antecedents of the company contribute at 41.7% to the level of intrapreneurial intensity; the remaining 58.3% is the result of other factors that were not considered in this study, which need to be established too.

Figure 2: ANOVA<sup>a</sup>

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	2922.438	5	584.488	9.308	.000 <sup>b</sup>
Residual	4081.534	65	62.793		
Total	7003.972	70			

a. Dependent Variable: Intrapreneurial Intensity

b. Predictors: (Constant), Organizational Boundaries, Work Discretion/Autonomy, Management Support, Time Availability, Rewards Reinforcement

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	11.194	7.588		1.475	.145
ManagSupp	.331	.285	.130	1.159	.251
WorkDiscAuto	-.017	.175	-.010	-.098	.922
Rewards	.598	.183	.423	3.266	.002
TimeAv	.130	.306	.050	.426	.672
OrgBound.	.803	.391	.220	2.056	.044

The ANOVA table displays a *Sig. 0.000*,  $P < .05$ , thus the hypothesis stating that there is a relation between organizational antecedents and intrapreneurial intensity in the electricity department of Société Minière de Kilo Moto was adopted. This is in the same line with the research findings of Antoncic & Hisrich, (2001) and Antoncic (2007) who argue that organizational support - characteristics such as management support, work discretion, rewards, time availability, and loose intra-organizational boundaries positively relate to the corporate entrepreneurship (intrapreneurship) intensity within firms.

The table 3 presents also the model’s coefficients and demonstrating the relationship between predictors and the dependent variable.

*H1: The intrapreneurial intensity of the firm was found to be positively influenced by the degree of management support given to employees with  $\beta = .331$  and  $P > .05$ , the relationship was not significant.*

*H2: The degree of the firm’s intrapreneurial intensity was negatively influenced by the level of the autonomy given to employees,  $\beta = -.017$ ,  $P > .05$ , the relationship is not significant as the  $p = .922 >$  to the critical of  $.05$ . However, this can be interpreted as, when the work discretion/autonomy increases, the firm’s intrapreneurial intensity will decreases; and when work discretion/autonomy will decrease, the firm’s intrapreneurial intensity will increases. However, this relationship was not significant.*

*H3: The firm’s intrapreneurial intensity was found to be positively and significantly influenced by reward or resources allocation within the firm, with  $\beta = .423$ ,  $P < .05$ .*

*H4: The firm’s intrapreneurial intensity was positively and significantly influenced by its level of organizational boundaries, with  $\beta = .803$ ,  $P < .05$ . Meaning, as organizational boundaries increase, the firm’s intrapreneurial intensity increases too.*

*H5: The firm intrapreneurial intensity was positively influenced by the amount of time given to employees to think or act,  $\beta = .130$ ,  $P > .05$ . However the relationship was not significant.*

## 7. Discussion

The results obtained by the present study have been a bit contrary to what the strategic literature suggests, but in accordance with the suggestion of Ravjee & Mamabolo (2019) claiming that some dimensions of corporate entrepreneurship predict service entrepreneurship within firms. Hence, in the present study, management support and time availability were found to be positively influencing the intrapreneurial intensity as also shown in the literature (Bloodgood, et al. 2015, Kuratko, Hornsby et Covin 2014) However, these relationships were not statistically significant in the case of the electricity department of Société Minière de Kilo Moto. The reason for this may be, first, the fact that in a failing company like this one, employees or middle managers do not obtain clear and sufficient support from the top management, as financial resources become scarce, all risky initiatives of employees are firmly discouraged. Secondly, as their salary payment become difficult, employees start coining parallel activities in order to survive; then they will start filling that their work workload becomes too heavy to spend time on developing new ideas for the firm.

Work discretion or autonomy was found to negatively influencing intrapreneurial intensity. This negative relationship between work discretion/autonomy and firm's intrapreneurial intensity contradicts the results of empirical studies (Gunasekar et Sarkar 2014, Gupta 2008, Filatotchev, Isachenkova et Mickiewicz 2005, Manroop 2015, Witell, et al. 2015) suggesting that autonomy given to employees within SOEs has positive effect on their (innovative) performance. Moreover, the results contradict the theories of decentralization, agency theory (Eisenhardt 1989), and incentive contracts, supporting that imparting greater decision making control to SOE managers or employees can produce efficiency gains, as resources are well used through good choices (on operational factors such as costs, technology and demand) in order to alleviating agency costs.

Of course, this result does not mean that the participation of senior and middle managers in decision-making and problem solving related with their job should lead to decreasing their work commitment, nor influence negatively their ability to think in an entrepreneurial manner; however, the result suggests that, firms going through problems such as poor management exhibited by lack or irregularity of compensation, poor performance, failing management control, etc. as observed in the electricity department of Société Minière de Kilo Moto, employees may transform the autonomy given to them into profligacy. Therefore, they will be tempted constantly to engage in counterproductive acts against the firm. Thus, they will not only neglect, but also contradict and spasm positive actions that are supposed to enhance the firm's corporate entrepreneurship. And to minimize potential failure or risk, top management will not give employees the freedom to make decisions or judgments.

The study results have found reward/incentives and organizational boundaries to influence positively and significantly intrapreneurial intensity of the electricity department of Société Minière de Kilo Moto. This confirms the findings of Kuratko et al. (2014) who argued that flexible organizational boundaries play a significant role in information sharing which leads to innovation within firms.

This result suggests that rewards/incentives given to employees influence positively and significantly the firm's intrapreneurial intensity. Meaning, when the rewards and incentives they receive dependent upon their work on the job.

The results of the study demonstrated a non-significant association between flexible organizational boundaries and service innovation. This is in line with the argument that employees need to be motivated through reward and recognition in order to sustain corporate entrepreneurship within their firms (Ravjee et Mamabolo 2019). Inversely, as the firm is poorly performing in terms of intrapreneurship intensity, and employees are also poorly paid by the firm, it can be interpreted that, employees do not bother to commit a lot of effort at the workplace to perform well, since their rewards is not interesting.

## **8. Conclusion and Recommendations**

The motivation of the present investigation was to understand how Congolese SOEs have adopted strategic tools such corporate entrepreneurship (Intrapreneurship) in order to perform better as suggested in the process of the reforms implemented by the government through the assistance of the Bretton Woods Institutions.

Findings on the relationship between organizational antecedents and intrapreneurial intensity indicated that there is a positive and strong relationship between organizational antecedents and intrapreneurial intensity in the electricity department of Société Minière de Kilo Moto. But, only reward/ reinforcement and organizational boundaries were the only two independent variables contributing significantly to the intrapreneurship intensity of the electricity of Société Minière de Kilo Moto.

The company's management should put more effort to improve the internal environment of the company by reinforcing its organizational antecedents through management support to the employees, increase the level of the employees' autonomy and improve its reward and reinforcement system and time availability in order to incite for more intrapreneurship tendency among employees. Hence, the government should push and facilitate the improvement of an intrapreneurial environment in the company by instigating a management by objective approach and tie it on contracts of performance, at least for the top management, in order to motivate Managers and employees for more entrepreneurial behaviour. Moreover, the reward and reinforcement systems should be linked to the evaluation and remuneration of managers to the company's performance.

The ideal solution to encourage more intrapreneurial intensity in the Société Minière de Kilo Moto today is the government ownership withdrawal from the company, as politicians' interferences hamper constantly the management's efforts for the development of the company. Nevertheless, if this process of withdrawal is still difficult, the government should facilitate the process of commercialization of the company as this mechanism may enhance the firm's intrapreneurial intensity, reduce the intervention of politicians and set free the company.

## **9. Directions for Further Research**

Further research should be carried out in the other state owned enterprises in the country so as to well understand the level of the relationship between the organizational antecedents and intrapreneurial intensity of the Congolese state owned enterprises; this, in perspective of their commercialization/corporatization as well as in the perception of the total state disengagement from their possession.

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