

Padi, Abigail; Ansah, Wilberforce Owusu; Mahmoud, Mahmoud Abdulai

## Article

# Corporate entrepreneurship and employees' competencies: Do employees' perceived feasibility and desirability matter?

Cogent Business & Management

## Provided in Cooperation with:

Taylor & Francis Group

*Suggested Citation:* Padi, Abigail; Ansah, Wilberforce Owusu; Mahmoud, Mahmoud Abdulai (2022) : Corporate entrepreneurship and employees' competencies: Do employees' perceived feasibility and desirability matter?, Cogent Business & Management, ISSN 2331-1975, Taylor & Francis, Abingdon, Vol. 9, Iss. 1, pp. 1-13,  
<https://doi.org/10.1080/23311975.2022.2102129>

This Version is available at:

<https://hdl.handle.net/10419/289085>

### Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

### Terms of use:

*Documents in EconStor may be saved and copied for your personal and scholarly purposes.*

*You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.*

*If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.*



<https://creativecommons.org/licenses/by/4.0/>

## Corporate entrepreneurship and employees' competencies: Do employees' perceived feasibility and desirability matter?

Abigail Padi, Wilberforce Owusu Ansah & Mahmoud Abdulai Mahmoud

**To cite this article:** Abigail Padi, Wilberforce Owusu Ansah & Mahmoud Abdulai Mahmoud (2022) Corporate entrepreneurship and employees' competencies: Do employees' perceived feasibility and desirability matter?, Cogent Business & Management, 9:1, 2102129, DOI: [10.1080/23311975.2022.2102129](https://doi.org/10.1080/23311975.2022.2102129)

**To link to this article:** <https://doi.org/10.1080/23311975.2022.2102129>



© 2022 The Author(s). This open access article is distributed under a Creative Commons Attribution (CC-BY) 4.0 license.



Published online: 21 Jul 2022.



[Submit your article to this journal](#)



Article views: 4539



[View related articles](#)



[View Crossmark data](#)



Citing articles: 12 [View citing articles](#)



Received: 30 May 2022  
Accepted: 12 July 2022

\*Corresponding author: Abigail Padi,  
Takoradi Technical University, School  
of Business Studies, Department of  
Accounting and Finance,  
P. O. Box 256, Takoradi, Ghana  
E-mail: [abigail.padi@ttu.edu.gh](mailto:abigail.padi@ttu.edu.gh)

Reviewing editor:  
Collins G. Ntim, Accounting,  
University of Southampton,  
Southampton, United Kingdom

Additional information is available at  
the end of the article

## ACCOUNTING, CORPORATE GOVERNANCE & BUSINESS ETHICS | RESEARCH ARTICLE

# Corporate entrepreneurship and employees' competencies: Do employees' perceived feasibility and desirability matter?

Abigail Padi<sup>1\*</sup>, Wilberforce Owusu Ansah<sup>2</sup> and Mahmoud Abdulai Mahmoud<sup>3</sup>

**Abstract:** The purpose of the study was to investigate the influence of antecedents of corporate entrepreneurship (CE) on competencies of employees of Small and Medium Scale Enterprises (SMEs) in Sekondi-Takoradi Metropolis, considering the respective mediating and moderating roles of employees' perceived feasibility and desirability. A cross-sectional and descriptive survey design that makes use of quantitative approach was used. A sample of 449 employees of SMEs in the Metropolis was used. Computer method of simple random sampling technique was used to select the firms and the employees. Questionnaire was used to collect the data. Pearson product moment correlation, hierarchical multiple regression, mediation and moderation analyses were used to analyse the data. It was revealed that when employees perceive organisational and environmental factors in positive terms, they are likely to believe that they possess the necessary skills and abilities required to be successful in undertaking a task which will in turn boost the level at which they want to become an intrapreneur. It was recommended to owners/managers of SMEs to ensure that they champion innovative ideas, recognise employees who articulate good ideas, and provide the necessary resources to all employees to help boost their corporate entrepreneurial actions. This study was successful in developing an empirical model for understanding the influence corporate entrepreneurship has on employees' competencies and the mediating and moderating roles of perceived feasibility and desirability, respectively, on the relationship between CE and employees' competencies.

**Subjects:** Entrepreneurship and Small Business Management; Entrepreneurship; Social Entrepreneurship; Entrepreneurial Finance

**Keywords:** Environmental factors; organisational factors; perceived desirability; perceived feasibility; corporate entrepreneurship competencies

### 1. Introduction

Intrapreneurial behaviour and Corporate Entrepreneurship (CE) competencies of employees have become important topics in the Small and Medium Scale Enterprise (SME) sector as evidence mounts on the critical role they play in determining the well-being of SMEs. They have become key issues in the 21<sup>st</sup> Century demanding innovativeness, proactiveness, initiative, risk taking ability, and autonomy on the part of employees in order to speed up productivity to help meet

the ever-increasing consumer demand for improved products and services in this competitive business environment (Adu-Darko, 2017; Zarefard & Jeong, 2019).

Intrapreneurship or CE is the concept of supporting employees to think and behave like entrepreneurs within the confines of an existing organisational structure (Abou-Moghli & Al-Abdallah, 2018). Within the SME sector, employees with the right vision and skills are usually encouraged to identify opportunities and develop ideas which lead to innovative new products, services or even new lines of business. Within the context of this study, both environmental and organisational factors are considered. Environmental factors refer to the external business environment that affects the organisation (Amo, 2017). It includes influences and circumstances or situations that a business cannot control that affect the business decisions. In this study, environmental factors are limited to three components: competitive intensity, technological changes and market dynamics. Organisational factors, on the other hand, refer to the operational attributes, processes or conditions within an organisation (Kuratko et al., 2014). In this study, it is delimited to four components: organisational structure, management support, resource availability, and reward and motivation. These factors are more feasible and practical in the Ghanaian SME sector.

The most dominant form of business in Ghana is found in the SME sector. According to Yeboah (2015), SMEs contribute about 70% to Ghana's national income, and 49% to employment. Adu-Darko (2017) added that SMEs pay a regular contribution to the socio-economic development of Ghana by providing basic goods and services, as well as creating jobs. Thus, SMEs have been labelled as the seedbed for indigenous entrepreneurship; meaning, SMEs have provided a podium for home-grown private enterprises to spring in areas that were generally ignored (Adu-Darko, 2017; Afriyie et al., 2020). Combinations of these investments have given rise to indigenous entrepreneurship in Ghana. This calls for the need for stakeholders to help maintain and improve the survival of SMEs in Ghana. Also, there is the need to look at the efficacy and outcome expectations and motivation of employees, incidents that can help boost employees' competencies (Afriyie et al., 2020). Therefore, it is appropriate for researchers in the business fraternity to analyse the antecedents of CE behaviours and CE competencies of employees of SMEs, taking into consideration the mediating and moderating roles of perceived feasibility and desirability, respectively.

Incorporating CE in an organisation strategy not only enables an enterprise to protect its existing market share but also to seek growth through increase in employees innovativeness, proactiveness, and risk-taking ability (Afriyie et al., 2020; Elbaz et al., 2018). With the changing technology, and increasing competition from exogenous enterprises, Ghanaian SMEs are finding business sustainability extremely difficult. Just recently, the Ghana Enterprise Agency (GEA), formerly National Board for Small Scale Industries (National Board for Small Scale Industries NBSSI, 2019) raised concerns that large numbers of SMEs are folding up as a result of the unchecked influx of cheap imports into the local market, a phenomenon spearheaded by these exogenous and foreign firms (National Board for Small Scale Industries NBSSI, 2019). This phenomenon is making it difficult for Ghanaian businesses to break even, a situation which is thwarting employees' perceived feasibility and desirability behaviours. In order to help boost employee competencies and productivity, there is the need to enhance their levels of efficacy and outcome expectations and motivation (Hanscom, 2020). The enterprise inability to enhance employees' perceived feasibility and desirability is having negative consequences on their CE competencies (Osei & Ackah, 2015; Zarefard & Jeong, 2019). This shows that employees' perceived feasibility and desirability and firms' organisational and environmental factors may determine how much effort and persistence employees show toward a given task or behaviour that is intrapreneurial.

Perceived feasibility is the belief that one possesses the necessary skills and abilities required to be successful in a particular situation or successful in undertaking a task (Prabhu et al., 2012). In this study, the emphasis is on efficacy and outcome expectations. Perceived desirability, on the other hand, denotes the extent to which individuals consider an option to become entrepreneurs

such that they are personally attracted to the idea of creating something new (Ahmed et al., 2020). Two components were considered: intrinsic and extrinsic motivations. Both perceived feasibility and desirability are factors that the literature indicates that they can help enhance CE competencies of employees (Ahmed et al., 2020). That is, these factors can help in boosting employees' ability to develop, organise and manage a business venture along with any of its risks. This calls for the need to investigate the mediating and moderating roles of employees' perceived feasibility and desirability on the relationship between CE and employees' competencies. In this study, entrepreneurial competencies are limited to five components: proactiveness, personal competence, personal initiative, innovativeness, and risk-taking.

Tactlessly, research works on CE competencies have not considered the mediating and moderating roles of employees' perceived feasibility and desirability, respectively, while researching on intrapreneurial behaviour (Afriyie et al., 2020; Arunga, 2017; Taştana & Güçelb, 2014; Weaven, 2016). Considering CE from the employee perspectives and how the antecedents of CE (organisational and environmental factors) initiate CE competencies will help to throw more light on the link between the three constructs and their influence on CE competencies of employees in the presence of firm structure, management support, resource availability, competitive intensity, technological changes, and market dynamics (Afriyie, 2019; Zarefard & Jeong, 2019).

Furthermore, the few research works on SMEs in Ghana and other developing countries have rather looked at external issues such as access to credit, government support, and policies other than CE competencies (Adu-Darko, 2017; Afriyie, 2019). Though the CE competencies of employees are important to the success of SMEs, researchers noted that an assessment of these competencies is still lacking (Chan et al., 2017; De Jong et al., 2019; Vargas-Halabí et al., 2017). Again, although the subject of CE antecedents has been examined in the literature, De Jong et al. (2019) hold that, in practice, knowledge about antecedents of intrapreneurial behaviours and their influence on CE competencies of employees of SMEs is still deficient; not to mention the moderating and mediating roles underplayed by employees' feasibility and desirability perceptions, respectively.

The paucity of evidence about the intrapreneurial behaviours and its influence on CE competencies of employees of SMEs in Ghana presents a critical literature gap that ought to be filled. Therefore, the current study contributes to the bridging of this gap by exploring the antecedents of intrapreneurial behaviour and CE competencies of employees in SMEs which may lead to an increase in the number of entrepreneurs within the sector. Specifically, the study analyses the antecedents of CE and CE competencies of employees of SMEs in Sekondi-Takoradi Metropolis (STM), considering the respective mediating and moderating roles of employees' perceived feasibility and desirability.

This study is important for many reasons. First, the findings that will emerge from this study will make an original contribution to the literature since it is one of the few investigations into antecedents of CE and CE competencies of employees of SMEs in an emerging economy such as STM, Ghana. Also, the findings will help in guiding SMEs to appreciate the need for all employees to develop, nature, and exhibit their CE competencies which among many benefits to the firm, would also help individual employees within to also start their own SME or work to improve existing products or services. Largely, this will help reduce the turnover rate among the staff of SMEs since innovative, proactive, and competent employees do not quit their firm to work for other firms but stay committed or start their firm (Chan et al., 2017).

Also, the model that will emerged from this study will shed light on the linkages between antecedents of CE, employees' perceived desirability and feasibility, and CE competencies of employees. Again, the findings of this study are an eye-opener for Ghanaian entrepreneurs as it enables them to appreciate the importance of CE competence and human capital in achieving SME growth and also serve as a blueprint for Ghanaian entrepreneurs and SMEs in general. Lastly, the

findings will guide policymakers to develop strategies that will encourage SMEs in Ghana to invest in building the CE competencies of employees.

### **1.1. Theoretical framework**

The structure and argument of the study is underpinned by the assumptions of human capital, efficacy and expectancy theories. Generally, firms need employees with requisite knowledge, skills, and expertise in order to be effective. The argument of human capital theory is that the more human capital a person possesses, the higher the person's performance when completing tasks (Baptiste, 2014). According to Dess and Pickens (2017), the human capital is the sum of skills and knowledge that the individual acquires after years of schooling, on-the-job training, and other types of experience. Within the context of SMEs, employees are valued based on their level of knowledge, skills, and expertise related to the work they do. In most cases, the value of the employees, human capital, influences the motivational packages given to them (Dessler, 2017). Generally, the argument of the theory suggests that firms with high levels of human capital with high levels of efficacy and outcome expectations tend to develop as a resultant effect of higher education and vast personal experience. For this reason, human capital has been recognised as being essential for fostering competitive advantage of firms in today's robust marketing environment (Byars & Rue, 2018).

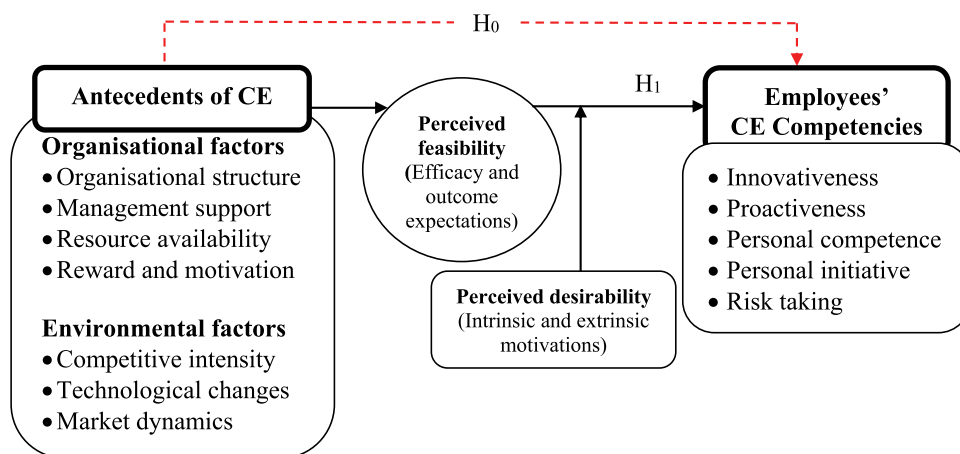
Basically, the underlying assumption for HCT is that individuals acquire knowledge and skills through education and training and that constitutes human capital with high expected efficacy and outcomes. The argument of HCT is relevant to the current study from the perspective that in order for employees within the various SMEs to adapt CE competencies, they would need to have the requisite knowledge, skill, and expertise to be innovative, proactive, and more receptive to risk-taking (Denisi & Griffin, 2018). The theory provides a useful lens through which the antecedents of CE can better be understood as it highlights the wide variations in the educational attainment and professional experience of employees who may potentially develop high level of efficacy and outcome expectations leading to significant level of entrepreneurial behaviours within their organisation.

The theory, however, does not establish how training and education actually lead to these outcomes (Netcoh, 2016). The assertions show that entrepreneurs with more human capital inputs should be able to achieve better-quality efficacy and output expectations. This study, therefore, adopts the human capital theory to explain that the more employees within the various SMEs are educated, trained and experienced, the higher their perceived feasibility in relation to efficacy and outcome expectations (Afriyie et al., 2020; Hanscom, 2020). This will in turn lead to an increase in employees' competencies and higher growth (Osei & Ackah, 2015; Zarefard & Jeong, 2019). In line with these submissions, the study hypothesised that antecedents of CE, with regard to organisational and environmental factors, have indirect influence on CE competencies of employees. Factors that are likely to mediate or moderate this relationship are perceived feasibility (efficacy and outcome expectations) and desirability (intrinsic and extrinsic motivation). Thus, antecedents of CE through perceived feasibility supported with perceived desirability can increase employees' ability to acquire the requisite CE knowledge, skills and competencies such as innovativeness, proactiveness and risk-taking ability.

Furthermore, relating efficacy and expectancy theories to this study was based on the assumption that outcome expectation can be the CE competencies of the employees (Hanscom, 2020). This is so because the employees are expected to exhibit CE competencies such as innovativeness, proactiveness and risk taking ability. However, these dynamics will become stronger when the employees are motivated. Therefore, the valence is the perceived desirability (intrinsic or extrinsic motivations) the employee receives after demonstrating CE competencies. Also, employees' perceived feasibility in this context is the knowledge, ability, capabilities and skills the employees will need in order to demonstrate the indicated CE competencies. It could be concluded that having employees who have the skills, abilities, capabilities, mastery and knowledge would be able to

**Figure 1. Conceptual framework of the study.**

Source: Author's construct, 2022



demonstrate meaningful CE competencies such as innovativeness, proactiveness, initiativeness and risk taking ability (Osei & Ackah, 2015; Zarefard & Jeong, 2019). However, this becomes potent and strong when the dynamics leads to a desired outcome and such desired outcome would attract a desirable reward.

As indicated earlier, the antecedents of CE considered in this study are organisational and environmental factors as presented in Figure 1. These antecedents together are believed to influence the manifestation of employee's entrepreneurial competencies such as proactiveness, personal competence, personal initiative, innovations, and risk-taking (Adu-Darko, 2017; Elbaz et al., 2018; Osei & Ackah, 2015). The argument is that when organisational factors such as firm structure, management support, resources, and motivation and also environmental factors such as competitive intensity, technological changes and market dynamics are perceived positively, they will help in predicting CE competencies of employees.

However, this influence becomes stronger when employees nurture high level of efficacy and outcome expectations. In addition, the mediating role played by perceived feasibility in boosting the relationship between antecedents of CE and CE competencies of employees enhances when employees are motivated. That is, both intrinsic and extrinsic motivations can serve as a helping hand to the relationship. The study, therefore, hypothesised that the influence antecedents of CE such as organisational and environmental factors have on CE competencies of employees becomes stronger when perceived feasibility mediates between the independent and dependent variables and also when perceived desirability moderates the hierarchical linkages between the three variables: independent, mediating and dependent variables.

## 2. Research methodology

The ontological stance of the study is premised on objectivism, that is, positivist's paradigm. This means that the truth and reality in this research is objective and independent of social actors. As a result, the quantitative approach was employed. Since the study focused on addressing an issue in an area where there has been relatively little research, and it also involves survey of employees of SME views on the issues, situations and processes, cross-sectional cum descriptive survey design was used (Gravetter & Forzano, 2018).

The study population was employees of the various registered SMEs recognised by GEA and Association of Ghana Industries (AGI) in the Metropolis. Employees of SMEs in Ghana were considered because the literature indicates that they are largely not productive because they are unable to exhibit CE competencies (Afriyie et al., 2020). Records show that SMEs in Sekondi-Takoradi are less viable (National Board for Small Scale Industries NBSSI, 2019) with regard to their



productivity and profitability, a situation which may be as a result of the employees' lack of innovativeness, proactiveness and risk-taking ability (Amo, 2017). In line with these reasons, the study considered employees of registered SMEs. Registered SMEs appear more visible, organised and well structured and lend themselves to some tenets of corporate entrepreneurship such as training and education of staff.

Also, they are more involved in the issues of CE and CE competencies within the SME sector. The accessible population was 70,048 employees. Approximately, a sample size of 449 employees was used. The sample used was based on Slovin's recommended formula, which was deemed appropriate for the study because it has been tested and used for most survey studies and it takes into consideration the precision rate of the population parameters (Gravetter & Forzano, 2018;). The formula is  $n = N \div [1 + N(e^2)]$ , where:  $n$  is the sample size,  $N$  is the population size, and  $e$  is the level of precision.

$$n1 = 70,048 \div [1 + 70,048 (0.05)^2] = 70,048 \div 176.12 = 397.73 \approx 449$$

In relation to the sampling procedure, computer method of simple random sampling technique was first used to select the firms before selecting the employees. A table of random sampling numbers that was designed by the researcher, using a Microsoft Excel tool, was used to select the respondents.

Pearson product moment correlation, hierarchical multiple regression analysis and Hayes (2018) mediation and moderation process analysis were used to analyse the data in order to test the hypothesis. The use of these inferential statistical tools helped in the examination of the influence of explanatory variables on dependent variable that was measured numerically using discrete scale and also the mediating and moderating roles of perceived feasibility and desirability on the relationship between antecedents of CE and CE competencies of employees.

The researcher, research subjects and clients of the research were protected from any adverse consequences of the study, by following laid down rules and procedures of ethics in research. Ethical issues that were catered for included a right to privacy, voluntary participation, no harm to respondents, and confidentiality, deception and scientific misconduct. To gather data from the sampled individuals, the researcher first submitted a copy of the proposal for this study and the self-designed instrument to the office of GEA at the Metropolis for review and validation. Approval was also sought from the owners/managers of the various SMEs in the Metropolis through an introductory letter. The respondents were informed about the purpose of the research and what objective it sought to achieve.

### 3. Results and discussion

The rationale for the hypothesis was to find out whether the influence of antecedents of CE on CE competencies of employees becomes stronger when perceived feasibility mediates between the independent and dependent variables and also when perceived desirability moderates the hierarchical linkages between the three variables: independent, mediating and dependent variables. After conducting a collinearity diagnostic test and ensuring that the contributions of the independent, mediating and moderating variables on the dependent variable were largely not as a result of the strong association among the variables, the hierarchical regression analysis was adopted to analyse the data. The multiple regression analysis, as indicated in Table 1, involved testing of three models. In the first model, the various antecedents of CE were entered as independent variables to test the straight-line predictor effect on the criterion variable.

The variables that predicted CE competencies of employees significantly, in order of importance, were management support ( $\beta = .313$ ,  $p < .01$ ), technology changes ( $\beta = .208$ ,  $p < .01$ ), reward and motivation ( $\beta = .149$ ,  $p < .01$ ), resource availability ( $\beta = .140$ ,  $p < .01$ ), and organisational structure ( $\beta = .104$ ,  $p < .05$ ). However, environmental factors such as competitive intensity ( $\beta = .064$ ,  $p > .05$ )



**Table 1. Indirect influence of antecedents of corporate entrepreneurship on corporate entrepreneurship competencies of employees through perceived feasibility as a mediator and perceived desirability as a moderator**

	Model I	Model II	Model III				
	Std. Coef.	Std. Coef.	Std. Coef.	t	Sig.	Collinearity statistics	
Variables	Beta ( $\beta$ )	Beta ( $\beta$ )	Beta ( $\beta$ )			Tolerance	VIF
Organisational structure	.104*	.091*	.053	1.479	.140	.561	1.781
Management support	.313**	.142**	.095*	2.369	.018	.452	2.211
Resource availability	.140**	.025	.023	.615	.539	.528	1.896
Reward and motivation	.149**	.072	-.027	-.711	.477	.508	1.969
Competitive intensity	.064	-.003	.019	.573	.567	.659	1.518
Technology changes	.208**	.130**	.098**	2.824	.005	.595	1.682
Market dynamics	.051	.006	.001	.043	.965	.666	1.500
Perceived feasibility		.502**	.385**	7.631	.000	.284	3.521
Perceived desirability			.348**	8.345	.000	.417	2.399
Constant	.968	.180	.143				
R	.568	.817	.847				
R Square ( $R^2$ )	.390	.667	.718				
Adjusted R square ( $R^2$ )	.383	.661	.711				

Field data, 2021. \*\* $p < .01$ , \* $p < .05$  ( $N = 400$ ); Std. Coef.: standardised coefficients.

Dependent variable: Corporate entrepreneurship competencies of employees.

and market dynamics ( $\beta = .051$ ,  $p > .05$ ) were not statistically significant predictors of CE competencies of employees. Management support (31.3%) and technology changes (20.8%) were the strongest predictors of CE competencies of employees.

The total contribution of the independent variables to the variance on the dependent variable in the first model is .390 with an adjusted  $R^2$  of .383. This means that employees' views on the various antecedents of CE of SMEs are able to explain 39.0% of the variance on CE competencies of employees. The study, therefore, introduced a mediator into the model to examine its mediating role in the relationship between the independent and dependent variables. The argument of the study is that the antecedents of CE are able to predict CE competencies of employees better when they pass through employees' perceived feasibility. As indicated in Table 1, when perceived feasibility entered the model as a mediator, only three of the independent variables were statistically significant. In order of importance, these variables were management support ( $\beta = .142$ ,  $p < .01$ ), technology changes ( $\beta = .130$ ,  $p < .01$ ) and organisational structure ( $\beta = .091$ ,  $p < .05$ ). Resource availability ( $\beta = .025$ ,  $p > .05$ ), and reward and motivation ( $\beta = .072$ ,  $p > .05$ ) were statistically significant predictors of CE competencies of employees in the first model but insignificant in the second model.

This shows that when perceived feasibility is considered, their potency reduces significantly. Therefore, perceived feasibility, regarding efficacy and outcome expectations, is an important variable in enhancing CE competencies of employees. The second model explains 66.7% of the variance in the CE behaviours of employees within SMEs. When perceived feasibility was introduced into the first model to create the second model, the  $R^2$  increased from .390 to .667. This may be as

a result of the meaningful and individual contribution of perceived feasibility ( $\beta = .502$ ,  $p < .01$ ) alone on CE competencies. Specifically, the rate of increase was 41.5%. This confirms the argument that perceived feasibility is a major predicting factor for CE competencies of employees of SMEs.

In the third model, the moderating variable which was employees' perceived desirability was entered into the second model to generate the third model. When perceived desirability was entered into the third model as a moderating variable, the beta coefficients of all the entered variables shrank, as depicted in Table 1. Again, resource availability ( $\beta = .023$ ,  $p > .05$ ), reward and motivation ( $\beta = -.027$ ,  $p > .05$ ), competitive intensity ( $\beta = .019$ ,  $p > .05$ ) and market dynamics ( $\beta = .001$ ,  $p > .05$ ) were non significance. However, management support ( $\beta = .095$ ,  $p < .05$ ) and technology changes ( $\beta = .098$ ,  $p < .01$ ) were still statistically significant contributors of CE competencies of employees. Specifically, perceived feasibility and desirability contributed 38.5% and 34.8%, respectively, to CE competencies of the employees. This shows that the mediating and moderating variables contributed meaningfully in boosting the competencies of employees of the various SMEs in the Metropolis.

The total contribution ( $R^2$ ) of the variables in the third model increased from .667 to .718, while the adjusted  $R^2$  increased to .711. This means that when perceived desirability entered the model, the rate of increase of the  $R^2$  was 7.1%. This finding reinforces the argument of the study, which states that perceived feasibility and desirability are mediating and moderating variables, respectively. They help in boosting the influence organisational and environmental factors have on CE competencies of employees. On the basis of the results, the study rejects the hypothesis that employees' perceived feasibility and desirability combined have no statistically significant boosting effect on the influence CE behaviours have on CE competencies of employees of SMEs.

Further analysis was conducted to establish the direct, total, and indirect effect of organisational and environmental factors on CE competencies of employees through perceived feasibility and desirability as mediator and moderator, respectively. A model was estimated simultaneously taking into consideration the dimensions of organisational and environmental factors. A serial mediation and moderation model six (6) was conducted to find out how the effect of the predictors on the criterion is explained through causal effect of one mediator and a moderator. Statistical significance of the tested model in the current research was studied through the software developed by Hayes (2018). The approach is based on ordinary least-squares regression, and the bootstrap method. The analysis used 10,000 bootstrap samples using 95% confidence level. The summary of the mediation analysis can be found in Table 2. The results have revealed that although the effect of organisational and environmental factors on CE competencies of employees is explained by perceived feasibility and desirability, the serial path seems to differ with specific dimensions of the predictors.

For organisational structure to influence CE competencies of employees, the relationship needs to be serially mediated and moderated by perceived feasibility and desirability, respectively,  $b = 0.009$ , *BootCI* [0.000–0.012]. Similar result was found for resource availability,  $b = 0.007$ , *BootCI* [0.002–0.016], and reward and motivation,  $b = 0.011$ , *BootCI* [0.003–0.021], suggesting that perceived feasibility and desirability are serial mediator and moderator, respectively, in the influencing factors and the criterion. Only perceived desirability was found as a moderator between management support and CE competencies of employees,  $b = 0.005$ , *BootCI* [0.000–0.012]. Also, the study found a significant serial mediation of perceived feasibility and desirability between technology changes ( $b = 0.007$ , *BootCI* [0.002–0.016]) and market dynamics ( $b = 0.024$ , *BootCI* [0.008–0.041]) with CE competencies of employees. The results for competitive intensity came out to be different.

As indicated in Table 2, only perceived feasibility was found as a significant mediator between competitive intensity and CE competencies of employees,  $b = 0.046$ , *BootCI* [0.018–0.082]. The model was found to be fit based on the assertion of Hayes (2018) that the Mean Square Error (MSE)

### Table 2. Direct, total and indirect effect of X's on Y through perceived feasibility and desirability

Variables	Total effect of X on Y				Direct effect of X on Y				Indirect effect (Ind) of X on Y				
	Point Est.	Boot SE	Boot LLCI	Boot ULCI	Point Est.	Boot SE	Boot LLCI	Boot ULCI	No.	Point Est.	Boot SE	Boot LLCI	Boot ULCI
Organisational structure (X <sub>A1</sub> )	.043*	.024	-.004	.091	.020	.024	-.027	.067	Ind1	.009*	.005	.002	.020
									Ind2	.009*	.005	.000	.020
Management support (X <sub>A2</sub> )	.100*	.024	.053	.146	.085*	.023	.040	.130	Ind3	.005*	.003	.000	.012
									Ind1	.006	.004	-.000	.014
Resource availability (X <sub>A3</sub> )	-.013	.023	-.059	.032	-.033	.023	-.077	.011	Ind2	.005*	.003	.000	.012
									Ind3	.004	.003	-.000	.012
									Ind1	.009*	.004	.002	.019
Reward and motivation (X <sub>A4</sub> )	.061*	.020	.023	.099	.030	.020	-.009	.068	Ind2	.004	.003	-.002	.011
									Ind3	.007*	.004	.002	.016
Competitive intensity (X <sub>B1</sub> )	.382*	.035	.314	.450	.319*	.032	.257	.380	Ind1	.046*	.016	.018	.082
									Ind2	.009	.006	-.001	.022
Technology changes (X <sub>B2</sub> )	.359*	.041	.278	.441	.251*	.039	.175	.326	Ind3	.010	.007	-.001	.025
									Ind1	.077*	.022	.036	.124
									Ind2	.003	.006	-.007	.016
Market dynamics (X <sub>B3</sub> )	.789*	.021	.749	.829	.728*	.022	.686	.770	Ind3	.029*	.013	.006	.057
									Ind1	.033*	.012	.012	.057
									Ind2	.004	.004	-.001	.013
									Ind3	.024*	.008	.008	.041

X (Predictors)—Organisational factors [ $X_{A1}$ – $X_{A4}$ ] and Environmental factors [ $X_{B1}$ – $X_{B3}$ ]; M1 (Mediator)—Perceived feasibility (PF); M2 (Moderator)—Perceived desirability (PD); Y (Criterion)—CE competencies of employees (CECE). \*significant at .05 level.

of the model should be closer to zero. In the case of this model, MSE obtained was .139 which shows that the model is fit. The findings mean that the operational attributes, processes within SMEs and also the external business environment that affects SMEs have a significant influential value on CE competencies of employees. However, this influence can be described as being “weak” since the interventions of perceived feasibility and desirability will be required to strengthen it in order to enhance staff CE competencies.

The findings that perceived feasibility and desirability are able to mediate and moderate, respectively, the influence organisational and environmental factors have on CE competencies of employees suggest that employees within the SMEs in the Metro believe in the ability to carry out innovative behaviour, proactive actions, and ability to take calculated risk. Similarly, the results suggest that the employees are able to demonstrate significant levels of personal competence and initiative. The findings from the data show that perceived feasibility, both efficacy and outcome expectations, and perceived desirability, both intrinsic and extrinsic motivations, have a combined effect of 73.3% of the influence organisational and environmental factors have on competencies of employees in the various SMEs.

The results show that both environmental and organisational factors have a positive influence on CE competencies of employees. This finding is consistent with the arguments of Osei and Ackah (2015), Vargas-Halabí et al. (2017), Elbaz et al. (2018), and Zarefard and Jeong (2019) who are aver that organisational together with environmental factors such as management support, availability of resources, reward and motivation, and organisational structure are able to ignite employees’ critical attributes such as innovation, creativity and risk-taking. Similarly, the outcome from the testing of the hypothesis reinforces the argument of the study, which states that perceived feasibility and desirability are mediating and moderating variables, respectively, that help in boosting the influence organisational and environmental factors have on CE competencies of employees. This argument is in line with the assertion of Afriyie et al. (2020) who posits that efficacy and outcome expectations and motivation of employees are able to help enhance the impact intrapreneurship behaviours have on intrapreneurial competencies of employees.

The results suggest that employees within the sector believe in the ability to carry out innovative behaviour, proactive actions, and ability to take calculated risk. Also, they are able to demonstrate significant levels of personal competence and initiative. This shows that people with high levels of motivation and entrepreneurial self-efficacy and outcome expectations also have higher entrepreneurial behaviours that manifest in their demonstrable corporate entrepreneurship knowledge, skills and competencies (Abou-Moghli & Al-Abdallah, 2018; Taştana & Güçelb, 2014). Afriyie et al. (2020) indicated that efficacy expectation is a strong influence on employees’ innovative behaviour, while outcome expectation plays a supportive role. This presupposes that workers with high perceived feasibility and desirability will be more prone to practicing intrapreneurship regardless of what the outcome will be.

#### 4. Conclusion

The conclusion of the study is that when employees and owners/managers of SMEs perceive the organisational and environmental factors such as organisational structure, management support, resource availability, reward and motivation, competitive intensity, technology changes, and market dynamics in positive terms, they are likely to believe that they possess the necessary skills and abilities required to be successful in undertaking a task which will in turn boost the level at which they want to become an intrapreneur. These dynamics in the long run will boost employees’ ability to develop, organise and manage a business venture along with any of its risks. This will help them perform their respective jobs successfully. It is, therefore, necessary for the firms to strengthen their respective organisational and environmental factors in order to boost employees’ perceived feasibility and desirability, as this will make the employees increase the level of their CE competencies as a whole.

#### **4.1. Recommendations**

Based on the finding that perceived feasibility of employees, that is employees' efficacy and outcome expectations, is able to mediate strongly and positively the influence environmental and organisational factors have on employees' competencies, the study recommends that owners/managers of the firms must ensure a congenial climate for intrapreneurial behaviour within their firms by encouraging their employees to believe in their abilities and always try out something new. Employees could also be encouraged to be confident in their ability to handle and solve problems creatively. This behaviour will go a long way to help the firms grow and become competitive. Also, it is recommended to owners/managers of SMEs to create room and give opportunity to their employees to make decisions on their own, thereby increasing their self-efficacy and outcome expectations. This will intrinsically motivate employees to constantly discover new ways of carrying out activities within the firm, look for ways to constantly modify products thereby always anticipating the environment and plan ahead of circumstances and situations. This in the long term will help SMEs to grow meaningfully.

Furthermore, based on the findings that perceived feasibility alone is able to mediate 50.2% of the influence antecedents of CE have on employees' competencies, it is recommended to the employees and yet to be Intrapreneurs to continue to believe that they possess the necessary skills and abilities required to be successful in undertaking a task. Also, the finding that perceived desirability of employees, both intrinsic and extrinsic motivations, is able to predict 34.8% of employees' competencies mean that firms with employees who do not consider an option to become entrepreneurs such that they are personally attracted to the idea of creating something new have 34.8% chance of enhancing their CE competencies. Based on this finding, it is recommended to the owners/managers to expose their employees to professional counselling services and business drive interventions. These interventions will boost their quest to succeed in the business world and also ensure that they establish effective intrapreneurial culture that in the long run will help them increase their performance. Quite apart from intrinsic interventions, the owners/managers should also ensure that appropriate compensation packages are given to the employees to help enhance their sense of belongingness, innovativeness, proactiveness, and risk-taking ability skills, which in the long run will help increase their levels of productivity.

#### **4.2. Implications for policy and practice**

The findings of the study have corporate entrepreneurship implications. While a start of a firm has the promise of all things bright, no firm is without its gloomy patches. Every firm needs a little help from time to time, both human and non-human resources. However, the engine of all firms is its employees. Therefore, to ensure survival and expansion of firms, there is the need to develop and nurture CE behaviour and competencies of the employees by enhancing their perceived feasibility and desirability, and also improving the organisational and environmental factors of the firms. This means that the firms must enhance their competitive intensity, technology changes and market dynamics. Similarly, the firms must improve their organisational structures and management support, resource availability, and reward and motivation policies.

Also, there is the need for the Ministry of Trade and Industry and GEA to liaise with owners/managers of SMEs to provide information service and vocational counselling periodically to employees to help them internalise the set of norms, beliefs, principles and ways of behaving that together boost their ability to acquire the requisite CE knowledge, skills and competencies as Intrapreneurs or yet to be Intrapreneurs. This intervention can enhance employees' level of perceived feasibility and desirability. Nearly, everybody looks for fulfilment in his or her performance such that, if a person becomes involved in performance that suits his work-related options, he is likely to encounter fulfilment of job. This implies that owners/managers of SMEs can put in place organisational and environmental structures and measures that will help enhance employees' self-efficacy and outcome expectations and also their motivation through technology changes, reward system, and management support. With appropriate management support

systems and interventions, employees' intrapreneurial challenges can be reduced meaningfully, which in the long run will help boost their CE competencies.

#### Funding

The author(s) reported that there is no funding associated with the work featured in this article.

#### Author details

Abigail Padi<sup>1</sup>

E-mail: [abigail.padi@ttu.edu.gh](mailto:abigail.padi@ttu.edu.gh)

Wilberforce Owusu Ansah<sup>2</sup>

Mahmoud Abdulai Mahmoud<sup>3</sup>

<sup>1</sup> School of Business Studies, Department of Accounting and Finance, Takoradi Technical University, Takoradi, Ghana.

<sup>2</sup> School of Business, Kwame Nkrumah University of Science and Technology, Kumasi, Ghana.

<sup>3</sup> Department of Marketing and Entrepreneurship, University of Ghana Business School, University of Ghana, Ghana.

#### Disclosure statement

No potential conflict of interest was reported by the author(s)

#### Citation information

Cite this article as: Corporate entrepreneurship and employees' competencies: Do employees' perceived feasibility and desirability matter?, Abigail Padi, Wilberforce Owusu Ansah & Mahmoud Abdulai Mahmoud, *Cogent Business & Management* (2022), 9: 2102129.

#### References

- Abou-Moghli, A. A., & Al-Abdallah, G. (2018). Evaluating the association between corporate entrepreneurship and firm performance. *International Journal of Entrepreneurship*, 22(4), 1–10.
- Adu-Darko, G. (2017). *Entrepreneurial leadership and growth of small medium enterprises: Lessons from transformational entrepreneurs in Ghana*. [Unpublished master's thesis], University of Ghana Business School, University of Ghana.
- Afriyie, N., (2019). Antecedents of intrapreneurial behaviour of small and medium enterprises in fruit juice processing (Doctoral dissertation, University of Dar es Salaam).
- Afriyie, N., Lemayon, L. M., & Nchimbi, M. (2020). The influence of employee self-efficacy, outcome expectation and firm resources on intrapreneurial behaviour: Insight from Ghana. *Athens Journal of Business and Economics*, 10(12), 01–27. <https://doi.org/10.30958/ajbe.X-Y-Z>
- Ahmed, U., Umrani, W. A., Zaman, U., Rajput, S. M., & Aziz, T. (2020). Corporate entrepreneurship and business performance: The mediating role of employee engagement. *SAGE Open*, 10(4), 2158244020962779. <https://doi.org/10.1177/2158244020962779>
- Amo, B. W. (2017). Corporate entrepreneurship and intrapreneurship related to innovation behaviour among employees. *International Journal of Entrepreneurial Venturing*, 2(2), 144–158. <https://doi.org/10.1504/IJEV.2010.034819>
- Arunga, H. J. (2017). *Organisational antecedents to intrapreneurship: Kenya pharmaceutical industry*. [Unpublished master's thesis], Chandaria School of Business, United States International University Africa.
- Baptiste, I. (2014). Educating lone wolves: Pedagogical implications of human capital theory. *Adult Education Quarterly*, 64(2), 184–201.
- Byars, L., & Rue, L. W. (2018). *Human resource management* (8th ed.). McGraw Hill.
- Chan, K.-Y., Ho, M. R. H., Kennedy, J. C., Uy, M. A., Kang, B. N. Y., Chernyshenko, O. S., & Yu, K. Y. T. (2017). Who wants to be an intrapreneur? Relations between employees' entrepreneurial, professional, and leadership career motivations and intrapreneurial motivation in organisations. *Frontiers in Psychology*, 8(1), 1–10. <https://doi.org/10.3389/fpsyg.2017.02041>
- de Jong, J. P. J., Parker, S. K., Wennekers, S., & Wu, C. (2019). *Corporate entrepreneurship at the individual level: Measurement and determinants*. EIM.
- Denisi, A., & Griffen, R. (2018). *Human resource management* (3rd ed.). Houghton Mifflin Company.
- Dess, G. G., & Pickens, J. C. (2017). *Beyond productivity: How leading companies achieve superior by leveraging their human capital*. American Management Association.
- Dessler, G. (2017). *Human resource management* (9th ed.). Prentice Hall.
- Elbaz, A. M., Haddoud, M. Y., & Shehawy, Y. M. (2018). Nepotism, employees' competencies and firm performance in the tourism sector: A dual multivariate and qualitative comparative analysis approach. *Tourism Management*, 67, 03–16. ISSN 0261-5177. <https://doi.org/10.1016/j.tourman.2018.01.002>
- Gravetter, F. J., & Forzano, L. B. (2018). *Research methods for the behavioural sciences* (6th ed.). Cengage Learning, Inc.
- Hanscom, M. E. (2020). *Using expectancy theory to examine occupational future time perspective with safety motivation and safety performance*. Unpublished doctoral thesis, Colorado State University, Fort Collins.
- Hayes, A. F. (2018). *Introduction to mediation, moderation, and conditional process analysis: A regression-based approach* (2nd ed.). The Guilford Press.
- Kuratko, D. F., Hornsby, J. S., & Covin, J. G. (2014). Diagnosing a firm's internal environment for corporate entrepreneurship. *Business Horizons*, 57(1), 37–47. <https://doi.org/10.1016/j.bushor.2013.08.009>
- National Board for Small Scale Industries NBSSI. (2019). *Supporting micro and small scale enterprises: A handbook on enterprise development part one*. Print Solutions.
- Netcoh, S. (2016). The strengths and limitations of human capital theory in educational research and policymaking. *Crosscutting Conversation in Education, Research, Reflection and Practices*, 17(1), 11–23.
- Osei, A. J., & Ackah, O. (2015). Employee's competency and organizational performance in the pharmaceutical industry: An empirical study of pharmaceutical firms in Ghana. *International Journal of Economics, Commerce and Management*, 3(3), 1–9 <http://ijecm.co.uk/>.
- Prabhu, V. P., McGuire, S. J., Drost, E. A., & Kwong, K. K. (2012). Proactive personality and entrepreneurial intent: Is entrepreneurial self-efficacy a mediator or moderator? *International Journal of Entrepreneurial Behaviour and Research*, 18(5), 559–586. <https://doi.org/10.1108/13552551211253937>
- Taştana, S. B., & Güçelb, C. (2014). Explaining intrapreneurial behaviours of employees with perceived organisational climate and testing the mediating role of organisational identification: A research study among employees of Turkish innovative firms. *Procedia - Social and Behavioural Sciences*, 150,



- 862–871. ISSN 1877-0428. <https://doi.org/10.1016/j.sbspro.2014.09.095>
- Vargas-Halabí, T., Mora-Esquivel, R., & Siles, B. (2017). Intrapreneurial competencies: Development and validation of a measurement scale. *European Journal of Management and Business Economics*, 26(1), 86–111. <https://doi.org/10.1108/EJMBE-07-2017-006>
- Weaven, S. (2016). *Intrapreneurial behaviour within the franchising context*. Handle Press.
- Yeboah, A. M. (2015). Determinants of SME growth: An empirical perspective of SMEs in the Cape Coast Metropolis, Ghana. *The Journal of Business in Developing Nations*, 14(1), 1–11.
- Zarefard, M., & Jeong, D.-Y. (2019). The influence of entrepreneurial competencies of project leader on innovative idea generation in the ICT firms. *Journal of Theoretical and Applied Information Technology*, 97(17), 4612–4622.



© 2022 The Author(s). This open access article is distributed under a Creative Commons Attribution (CC-BY) 4.0 license.



You are free to:

Share — copy and redistribute the material in any medium or format.

Adapt — remix, transform, and build upon the material for any purpose, even commercially.

The licensor cannot revoke these freedoms as long as you follow the license terms.

Under the following terms:

Attribution — You must give appropriate credit, provide a link to the license, and indicate if changes were made.

You may do so in any reasonable manner, but not in any way that suggests the licensor endorses you or your use.

No additional restrictions

You may not apply legal terms or technological measures that legally restrict others from doing anything the license permits.

***Cogent Business & Management* (ISSN: 2331-1975) is published by Cogent OA, part of Taylor & Francis Group.**

**Publishing with Cogent OA ensures:**

- Immediate, universal access to your article on publication
- High visibility and discoverability via the Cogent OA website as well as Taylor & Francis Online
- Download and citation statistics for your article
- Rapid online publication
- Input from, and dialog with, expert editors and editorial boards
- Retention of full copyright of your article
- Guaranteed legacy preservation of your article
- Discounts and waivers for authors in developing regions

**Submit your manuscript to a Cogent OA journal at [www.CogentOA.com](http://www.CogentOA.com)**

