



EVALUATING THE IMPACT OF INTRAPRENEURSHIP ON ORGANIZATIONAL PERFORMANCE IN HYDERABAD'S TEXTILE SECTOR

Dr. C. MADHURI, INCHARGE PRINCIPAL AND ASSOCIATE PROFESSOR, NAVA BHARATHI COLLEGE OF PG STUDIES, BOLARUM, SECUNDERABAD, INDIA.

ABSTRACT:

In today's competitive and uncertain business environment, organizations are constantly seeking innovative strategies to enhance their performance. Growth and development remain fundamental goals for every enterprise. Embracing novelty through innovation is often a key driver of success. In this context, employee intrapreneurial behavior has emerged as a strategically significant factor influencing organizational outcomes. Both intrapreneurship and the structure of the organization play vital roles in fostering innovation and improving performance. As noted intrapreneurship refers to entrepreneurial initiatives within existing organizations. Such entrepreneurial activities create a foundation for organizational growth and advancement. This study investigates the intrapreneurial practices adopted within the textile industry in Hyderabad. It specifically examines how intrapreneurship affects employee performance and overall organizational growth, including its influence on job satisfaction. Data was collected from 120 employees using convenience sampling. Statistical techniques such as correlation analysis, t-tests, ANOVA, and percentage analysis were used for evaluation. The findings revealed that while organizations supported employee engagement and skill recognition, they lacked sufficient emphasis on innovation training and related support activities. Respondents indicated that enhancing intrapreneurial practices could improve employee job satisfaction and performance, ultimately contributing to the broader growth and success of the organization.

Key words: Intrapreneurship, Employee engagement, innovation support activity, training for innovation.

1. INTRODUCTION:

A rapid change and uncertainty in market and environmental conditions have forced organization to adapt to changes through innovative practices, products and services. In the context of environmental uncertainty and competition, organizations are trying to find new ways to improve their performance. Every organization strives for growth and development. The development of novelties based on innovative practices is the success point for many organizations. The intrapreneurial behavior of employees in any organization has become strategic importance for its Performance. Intrapreneurship and organizational structure are important factors for organizations to improve the innovation performance. However, intrapreneurship can be seen as the most appropriate concept to characterize entrepreneurial activity within an existing organization (Dr.Naveen Prasadula, 2024). Intrapreneurship has been described as an entrepreneurial action within an organization (Antoncic & Hisrich, 2003) focusing mainly on the establishment of new ventures. Kolchin and Hyclak (1987) have suggested that intrapreneurship had been narrowly defined as the development of new products or businesses, proposing that intrapreneurship can also be the introduction of a new process or the adaptation of an existing one. Antoncic and Hisrich (2003) have described intrapreneurship as a sub-field of entrepreneurship, consisting of innovative activities within an organization that creates new services and products strengthening the competitive position of the organization. Focusing on the activities which create favorable conditions for growth and development of the organization is a significant management function. Intrapreneurial activity provides prerequisites for that growth and development of the organization.

NEED FOR THE STUDY:

Intrapreneurship is a distinct area of study within the larger domain of entrepreneurship. Intrapreneurship provides wider scope for innovation and creativity, which provides competitive advantage for the organization through better problem solving and opportunity finding. The primary impetus for this study is to explore new dimensions of intrapreneurship that will contribute to the growth and development of the employee and the organization by finding correlation between the organizational success factors and intrapreneurship benefits. The role of intrapreneur is hardly discussed topic to be studied when compared to entrepreneur. The concept of intrapreneurs exists in large or small organization but is not classified as a separate concept or discipline. Hence it is not given much importance especially in relation to training and development of employees. Innovation and creativity leading to change and enhancement in technology and process is very important in manufacturing industry to keep in pace with changing global business scenario. Better understanding of intrapreneurs and its importance in the success of an organization will pave way for innovation and creativity, which is the backbone of any manufacturing organisations.

2. LITERATURE REVIEW

Intrapreneurship is defined as the activity to start a new venture in an existing firm (de Jong et al., 2011; Sharma & Chrisman, 1999). It is also agreed by many researchers that intrapreneurship has its roots in entrepreneurship (Amo & Kolvereid, 2005; Antoncic & Hisrich, 2003). Usually intrapreneurs use employers' resources to device risky and new decisions while entrepreneurs use their own resources or resources of external investor's (Molina & Callahan, 2009). If intrapreneurs fail to deliver successfully, they are exposed to career risk at the individual level or may take risk on behalf of the organization. For the success of intrapreneurs activity they may not be always financially rewarded as compared to entrepreneurs who may be directly benefited from their endeavours (Baruah & Ward, 2015). Intrapreneurs based on their innovative ideas and concepts usually use the existing working conditions while an entrepreneur may create their own system (Morris & Kuratko, 2002) and concepts or borrow from outside agencies. The organization has to conduct activities to support their employee intrapreneurs in the organization and get benefitted like idea development, innovation activity support, employee engagement, skills recognition, cultural change, external positioning. The management should also adopt wide range of models and approaches to support intrapreneurs in the organization including training intrapreneurs, aligning incentives with intrapreneurial thinking, management and leadership support, collaborate across functions, communication etc. (Anthony Ferrier, 2014).

3. RESEARCH DESIGN:

The study undertaken to find out the impact of intrapreneurship on the organizational performance of employees and the organization, is descriptive in nature. The data required for the study was collected from 120 employees of textile units in Hyderabad city. The researcher identified the respondents using Convenience sampling method. The data collected for the study was analyzed using the tools t-test, ANOVA, Correlation Coefficient and Percentage analysis. This study was based on both primary and secondary data. The primary data was gathered at the field level through questionnaire survey from employees of manufacturing industries in Kochi city. The secondary data required for the study was collected from journals, review articles, websites etc.

OBJECTIVES AND METHODOLOGY

Research is the systematic search for information on a particular topic to find answer for research problem. Research methodology is a systematic procedure which is the more formal and intensive process of carrying on the scientific method of analysis (Best, 1977). The purpose of this research is to gain insight into the concept of intrapreneurship in encouraging innovation in the organization,



enhancing the performance of the employees and supporting the growth and development of the organization at large.

3.1. RESEARCH OBJECTIVES

The general objective of the study is to ascertain the impact of intrapreneurship on the growth and development of employees and the organization. The specific objectives are

- To examine the effect of intrapreneurship activities on the growth and development of the organization.
- To analyse the impact of intrapreneurial support activities on the increase in performance of employees.
- To find out the effect of intrapreneurship activities on the job satisfaction of employees in the organization.
- To explore the relationship between performance based reward system on innovative performance of the employees.

3.2. HYPOTHESES

A research hypothesis is the statement created by researchers when they speculate upon the outcome of a research or experiment.

H₀: There is no significant effect of intrapreneurship activities on the growth and development of the organization.

H₀: There is no significant impact of intrapreneurial support activities on the increase in performance of employees.

H₀: There is no significant impact of intrapreneurship activities on the job satisfaction of employees in the organization.

H₀: There is no significant relationship between performance based reward system on their innovative performance.

4. DATA ANALYSIS AND INTERPRETATION

Table 4.1 Percentage Analysis

Variables	Frequency /Percentage	Agree	Neither agree nor disagree	Disagree	Total
Innovation Support Activity	Frequency	15	60	45	120
	Percentage	12.5	50	37.5	100
Employee Engagement	Frequency	60	30	30	120
	Percentage	50	25	25	100
Skills Recognition	Frequency	43	48	29	120
	Percentage	36	40	24	100
Training for Innovation	Frequency	28	33	59	120
	Percentage	23	28	49	100



Percentage analysis was used to find out the attitude of employees towards the intrapreneurial support activities like Innovation Support Activity, Employee Engagement, Skills Recognition and Training for Innovation, practiced in the organization. According to the study it was found that more than nearly 90 percentages of the employees either disagreed or had neutral feeling about innovation support activities practiced in the organization. Fifty percentage of the employees agreed that employee engagement was prevalent in the organization. Majority of the employees either agreed or had neutral feeling that their skills were recognized in their work. Nearly half of the employees felt that they were not given training for innovation in the organization. According to Stevenson and Jarillo (1990), the management support will help to increase the potential intrapreneurs' trustworthiness to their organization.

Table 4.2 Correlation between intrapreneurship activities on growth and development of the organization.

Correlations			
		Total IA	Total devp of org
Total IA	Pearson Correlation	1	.661**
	Sig. (2-tailed)		.000
	N	120	120
Total devp of org.	Pearson Correlation	.661**	1
	Sig. (2-tailed)	.000	
	N	120	120

**. Correlation is significant at the 0.01 level (2-tailed).

To determine the strength of the relationship between variables Pearson Correlation Coefficient is used. The proposed null hypothesis was as follows:

H0: There is no significant effect of intrapreneurship activities on the growth and development of the organization.

The above table shows that the strength of association between the variables is high ($r=0.661$), and that the correlation coefficient is significantly different from zero ($P<0.001$). In accordance with the previous researches, the analysis showed the strong positive effect intrapreneurship activities with growth and development of the organization (0.661). Hence the null hypothesis is rejected. This shows that if intrapreneurship activities are implemented in the organization the performance and productivity of employees improve which leads to the growth and development of the organization at large. The result is in accordance with the finding of Muzafer Brigić(2015), who pointed that the implementation of intrapreneurial activities in the production companies has a positive impact on its development.

Table 4.3 Significance (t) test for the impact of various intrapreneurial support activities on performance of employees.

		N	Mean	Std. Deviation	T	Sig
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Innovative support activity	Low	82	108.083	7.535	7.111	0.00(*)
	High	38	100.383	10.834		
Employee Engagement	Low	76	107.658	8.578	5.008	0.00(*)
	High	44	102.236	9.780		
Skills recognition	Low	100	106.223	9.699	2.325	0.02(*)
	High	20	102.837	7.057		
Training	Low	103	107.696	7.295	10.742	0.00(*)
	High	17	93.558	11.331		

To find out the impact of intrapreneurial support activities on performance improvement of employees t-test was used.

H0: There is no significant impact of intrapreneurial support activities on the increase in performance of employees.

To find out the impact of various intrapreneurial support activities on performance of employee's t-test was used. Using the median values low and high scales were retrieved. The factors considered for the test includes Innovation Support Activity, Employee Engagement, Skills Recognition and Training for intrapreneurship. From the above table it is found that the P value of all the factors of intrapreneurial support activities are less than 0.05. Hence the null hypothesis is rejected. This implies that there is a significant difference in the performance of employees

based on various intrapreneurial support activities considered for the study. It has been found that some of the management support activities like idea generation and tolerance for risk taking exerts a positive effect on innovative performance of the employees while performance based reward system and free time does not have much affect (Lutfihak Alpkhan).

Table 4.4 Job satisfaction Scores of the respondents based on intrapreneurship activities of employees.

S.No.	PA	Number of respondents	Mean perception	Standard Deviation
1.	low level	30.8	112.0641	8.26147
2.	moderate level	53.6	106.5746	5.87743
3.	high level	35.6	98.6250	10.10010
Total		120	105.6600	9.39200

To find out the job satisfaction scores of the respondents based on intrapreneurship activities, ANOVA Test used. The proposed null hypothesis was as follows:

H0: There is no significant impact of intrapreneurship activities on the job satisfaction of employees in the organization.

The above table shows that the P value (0.000) is lesser than 0.05. The null hypothesis is rejected. This shows that there is significant difference among the job satisfaction level of the employees based on intrapreneurship activities in the organization. Though various factors of intrapreneurship activities in an organization affects the job satisfaction of employees in different levels based on their relative importance in their job, but still the affect is significant.

Table 4.5 Correlation between performance based reward system on innovative performance of the employees

Correlations			
		Total PR	Total IP
Total PR	Pearson Correlation	1	.724**
	Sig. (2-tailed)		.000
	N	120	120
Total IP.	Pearson Correlation	.724**	1



	Sig. (2-tailed)	.000	
	N	120	120
**. Correlation is significant at the 0.01 level (2-tailed).			

To determine the strength of the relationship between performance based reward system on innovative performance of the employees correlation is used. The proposed null hypothesis was as follows:

H0: There is no significant effect of performance based reward system on innovative performance of the employees.

The above table shows the Correlation between performance based reward system and innovative performance of the employees in the organization. The strength of association between the variables is high ($r=0.724$), and that the correlation coefficient is significantly different from zero ($P<0.001$). The result showed a strong and positive effect of performance based reward system on the innovative performance of the employees in the organization (0.724). Hence the null hypothesis is rejected. This implies that if the reward system of the employees is based on their performance, their innovative performance will improve. Studies have proved that if employees trust the reward system as beneficial to all, then their commitment to innovation and willingness to take risks linked to intrapreneurial activities will improve (Morrison and Robinson, 1997; Chandler et al., 2000) and the management have to pay the employees enough if they want to convince them to act like intrapreneurs (Thornberry, 2003). Joanna Jean North (2015), has noted in his research that reward outcomes are related to the terms of employment and the organisational policies.

5. Findings and Recommendations:

From the study it was found that most of the employees agree that factors like employee engagement and skill recognition was prevailing in the manufacturing industry but other factors like innovative support activity and training for innovation was not prevailing in the organisation. The study result also showed that intrapreneurship activity if implemented in the organization will enhance the performance and productivity of the employees. Innovative organizations always provide competitive advantage in the market (Dobni, 2000). Moreover, the respondents felt that intrapreneurship activities implemented in the organization will help in the growth and development of the organization in a strong and positive way. Similarly if the reward system of the employees is based on their performance, it helps them to enhance their innovative performance in a positive way. The respondents also felt that intrapreneurship activity followed in the organization will influence the job satisfaction level of employees. It is evident from the study that the employees of textile industry in Hyderabad district perceive that strengthening intrapreneurship activities in the organization would improve the job satisfaction level of employees and enhance their performance which leads to the growth and development of the organization at large. Textile industry is the back bone of Hyderabad district and has a greater influence on the economy of the nation. Hyderabad textile industry has been fulfilling the needs of customers in local, national and international market. Traditional textile industry has seen a drastic shift over to an ever volatile mode of production to cope with the changing needs of global textile customers as it is one of the most competitive sectors.

6. CONCLUSION:

Organizations has to reshape and change themselves according to the changes in the market conditions and offer new and innovative products or services to the customers to gain competitive advantages. Hence innovation and change has greater role to play in enhancing the financial and non-financial performance of the employees and the organization at large. Studies have proved that innovation is a major factor which directly affects the organizational performance (Aas & Pedersen, 2011; Dias & Escoval, 2013; Wang & Hsu, 2014). García-Goñi et al. (2007), has noted in their studies that motivation



of employees to adapt innovations will influence the organization's innovative performance. Hence intrapreneurship affects and encourages the institution's innovation (Antoncic & Hisrich, 2001; Avlonitis & Salavou, 2007; Goodale, Kuratko, Hornsby, & Covin, 2011). These employees will bring in change in the material results of the organization in various areas including product, service, and strategies used in business, exploring market etc. The success of intrapreneurial activity in an organization can be reaped through overall transformation in the organization functioning like leadership support, open communication, functional integration etc.

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