UNDERSTANDING THE EXISTING RELATIONSHIP BETWEEN CORPORATE ENTREPRENEURSHIP AND BUSINESS ORGANIZATION PERFORMANCE IN TANZANIA TELECOMUNICATION INDUSTRY:

THE CASE OF TTCL COMPANY (HEADQUARTERS)
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BETWEEN CORPORATE ENTREPRENEURSHIP AND
BUSINESS ORGANIZATION PERFORMANCE IN TANZANIA
TELECOMUNICATION INDUSTRY:

THE CASE OF TTCL COMPANY (HEADQUARTERS)

By

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A Dissertation Submitted to the Partial /Fulfillment of the Requirements of the
Award of the Degree in Masters of Science (MSc) –Entrepreneurship of
Mzumbe University

2015
CERTIFICATION

We, the undersigned certify that we have read and hereby recommend for acceptance by the University of Mzumbe a dissertation entitled: “Understanding the existing relationship between Corporate Entrepreneurship and Business Organization Performance in Tanzania Telecommunication Industry: The Case of TTCL(Headquarter) Company”- in fulfillment of the requirements for the degree of Master of Science in Entrepreneurship of Mzumbe University.

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School of Post Graduate Studies, on behalf of both the author and the Mzumbe University.
ACKNOWLEDGEMENT

This dissertation would not have been complete without the support of my supervisor, Mr. Robert Makorere, who guided me all the way up to this point. Special thanks and appreciation go to my beloved Parents, for their support, encouragement, and general understanding during the period of my study.

Special thanks also are extended to all the respondents at the TTCL who responded to my questionnaires and interviews and gave me valuable information which enabled me to accomplish this dissertation.

I owe a great debt of gratitude to the staff of the Mzumbe University, who for two years have allowed me to access their rich resources and for the privilege to learn from them. Many individuals have supported and contributed to the accomplishment of this study; I am deeply grateful to each one of them.
DEDICATION

This work is dedicated to Mr and Mrs Humphrey T. Samwel, my beloved Parents, who has always believed in me, support and encourage me to strive for the highest of my capabilities.
# LIST OF ABBREVIATIONS AND ACRONYMS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>ADSL</td>
<td>Asymmetric Digital Subscriber line</td>
</tr>
<tr>
<td>CDMA</td>
<td>Code Division Multiple access</td>
</tr>
<tr>
<td>CE</td>
<td>Corporate entrepreneurship</td>
</tr>
<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>CV</td>
<td>Corporate Venture</td>
</tr>
<tr>
<td>DTBI</td>
<td>Dar Es Salaam Tecknohama business incubator</td>
</tr>
<tr>
<td>GSM</td>
<td>Global System for Mobile</td>
</tr>
<tr>
<td>HOBU</td>
<td>Head of Business Unit</td>
</tr>
<tr>
<td>HOD</td>
<td>Head of Departments</td>
</tr>
<tr>
<td>ICE</td>
<td>Intra-Corporate entrepreneurs</td>
</tr>
<tr>
<td>ICT</td>
<td>Information Communication and Technology</td>
</tr>
<tr>
<td>NICTBB</td>
<td>National Information Communication Technology Broadband Backbone</td>
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<tr>
<td>TTCL</td>
<td>Tanzania Telecommunication Company LIMITED</td>
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ABSTRACT

This research is on Understanding the existing relationship between Corporate Entrepreneurship and business organization performance in the Telecommunication Industry in Tanzania at TTCL (Headquarters) Company in Dar-es-Salaam. The specific objectives were to identify the innovations and venture creations of the organization, to check whether the organization has shown any proactive and self-renewal traits and to suggest possible actions that can be employed to ensure effectiveness placement and implementation of Entrepreneurship as a strategy on improving organization performance.

The research design used was case study approach whereby a single unit was selected TTCL headquarters. Primary and secondary data were collected through the use of questionnaire and interview. Analysis of the collected data was done. The findings of the study indicated the following. Respondents’ answers proved that there was an existing relationship between Corporate Entrepreneurship and Organization performance. There were minor innovations including new data/internet products and new CDMA mobile telephones which improved the organization performance but TTCL Company had no any new venture created. The organization had self renew its strategy and done some operations changes to maintain its functionality and lastly it has been more proactive internally than externally in improving its organization performance compared to its rivals in the Telecommunication Industry.

To improve its performance better, it was recommended that the managerial style was to change from traditional to entrepreneurial one, create new ventures for introducing new technology and as a source of income, increase innovativeness, continuous transformation, develop proactive habits against actions of competitors, enhance its human resource and lastly to constantly update their business concepts to keep up with external changes.

However, the organization is on a transition period to launch a new technology network called GSM at the end of this year leaving its old one the CDMA which is said to improve its competitive advantage.
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CHAPTER ONE

1.1 Introduction

This chapter has six sub-sections, section one is the background of the study, section two is on statement of the problem, section three is the study objective, section four is Research questions, section five is significance of the study, and the last sub-section is scope and delimitation of the study.

1.2 Background Information

According to Mwakyusa and Majaliwa (2015), once a monopoly in the Telecommunication Industry in the country TTCL which provides analogue communication is now performing under “accumulated losses amounting to 334.5bn/- over the past 14 years”. Not only has that but in the report also the CEO have spoken that “almost 50 per cent of the company’s infrastructure was obsolete”. As a major company that has branches all over the country various strategies have been used to ensure survival of the firm such as entering joint ventures and privatizing partial of its shares and also government has shown its support by providing funds (Wikipedia) to it but as time goes on to date it is experiencing more losses.

Looking 20 years behind there were few telecommunication companies due to the high cost of operation, government policies as well as a small market size as it were expensive to own a telephone at that time. But, the improvement of Technology, Economy and Globalization that led to emergence of newer telecommunication company/providers to name a few; Airtel, Vodacom and Tigo that cater swift ways to communicate which is now called the so Digital. This led to a slow lag to TTCL market growth as most of it shifted to other rivals as named above. Now as competition has intensified and more and more companies emerge like Zantel and Smile makes TTCL to re-strategies as its chance of survival becomes slimmer.

In the context of firms, the concept is reflected in the conditions of competitive advantage, which is why the study of Corporate Entrepreneurship and its effect on performance is relevant (Augusto, 2012).
According to the Small Business Administration (SBA) of America reports (1990), intense competition along with poor sales and lack of capital has led four out of five new businesses to fail within their first five years (Hisrich, 1990). But all in the entire final crisis facing a business is one of ‘red tape’ or bureaucracy-the loss of entrepreneurial nature. And with the loss of entrepreneurship there is a danger that the firm will cease to change and innovate” (Burns, 2007). “That means companies that are stuck in their bureaucracies will be replaced by those with a thriving culture of innovation” (Turley, 2011).

A business is considered growing when there is a permanent increase in its sales turnover, assets, volume of output, etc (Gupta, 2012). This can be achieved through proper management practices that are Planning, Organizing, Directing and Controlling of scarce resources not only that but all successful companies differ in three main things, a company culture that aims high, a structure that is flexible and responsive and a strategy that is clear and focused (Nohria and Joyce, 2003). Entrepreneurship is considered one form of organizational strategic management, (Davis-1999). That said, Individual or organization-based entrepreneurial action is a mechanism for business development of major economic importance (Shane and Venkataraman, 2000).

“Contemporary business challenges including heightened competition, market globalization, and accelerating technological change have created a volatile environment in which ‘the ability to innovate effectively has become the primary determinant of business success’” (Pinchot, 1985). That is why bigger firms inject most of it R&D budget on encouraging creativity and innovation within the organization (Stefanovici, 2010). Entrepreneurship and innovation are key to kick-starting our economic recovery, but too often we associate these characteristics only with smaller, start-up companies without recognizing that large companies will only succeed in the long-term by harnessing the same spirit of entrepreneurship (Turley, 2011).

Relating to the case above company like TTCL, it needs to practice Corporate Entrepreneurship in other words corporate entrepreneurship. “Since entrepreneurship is a vital constituent in the innovation chain-reaction, well-established high-technology firms which fail to stimulate and nurture entrepreneurship run the risk of becoming technologically moribund, losing their capacity for innovation” (Martin, 1994).
In the 21st Century corporate entrepreneurship (CE) has increasingly been recognized as a legitimate path to high levels of organizational performance (Hornsby and kurato, 2007). There is evidence that Corporate Entrepreneurship helps managers to renew and revitalize their businesses, to innovate, and to enhance their overall business performance (Parker, 2011). Effectiveness of managers is measured from the organization performance which in-turn the investor’s return, if the performance is poor there will be a less investors return and the opposite. In order to grow and prosper in a rapidly changing society and economy there’s a need of entrepreneurial thinking within the company (Pinchcot, 1978).

Corporate entrepreneurship has a multidimensional structure, and the most frequently tested factors of corporate entrepreneurship are risk taking, innovativeness, proactiveness, and competitive energy (Sharma and Chrisman, 1999), yet their associations with corporate performance have not been sufficiently demonstrated (Antoncic and Hisrich, 2004). This is why the knowledge of the factors that influence business performance and how they do so is still limited (Khalid and Yusof, 2009). This is because organizational strategies of managers differ on levels of their organizational roles (Floyd and Lane, 2000). Meaning that, managers of different levels have different roles that provide more or less structural ability to implement entrepreneurial ideas (Kurtako, 2005). “The concept of corporate entrepreneurship requires that top executives inside the company should be encouraged to be entrepreneurs within the enterprise rather than going outside” (Gupta, 2012).

Management is said to have a bigger influence to determine the performance of corporate entrepreneurs within its boundaries. Two groups of management the traditional and entrepreneurial view business failure differently. An entrepreneurial learns through their previous mistakes and a failure is viewed as an opportunity to do better in the future while the traditional takes failure as a personal matter by correcting the individual than correcting the problem (Burns, 2009). Encouragement and support from senior management to embrace an entrepreneurial culture is needed.

Encouraging people within the company to explore high-risk, high-reward ideas and reassurance that even if new ideas fail they will not be penalized (Turley, 2011).
Apart from encouragement, management also needs to monitor their activities so that it aims to achieve organizational goals and not otherwise.

1.3 Statement of the problem

A report on TTCL said that “the country’s major telecoms firm is said to be on the brink of collapse due to, among other reasons, failure by investors to inject money for investments and maintenance of its infrastructure” (Mwakyusa and Majaliwa, 2015). This calls for drastic measures to secure the organization from being ousted from the particular industry. Managers’ at all structural levels senior middle and low have critical strategic roles to fulfill for the organization to be successful (Ireland et al., 2002).

In some cases, small aggressive entrepreneurially driven firms have developed new products and become dominant in their markets. Recognizing the problem, some large companies are attempting to create the same entrepreneurial spirit, the challenges and rewards of entrepreneurship, within their own organizations (Hisrich, 1990). This is due to competition and complex environment which calls for innovation within the organization. Successful innovation calls for a combination of entrepreneurial and Managerial skills (Pinchcot, 1985).

The focus of this research is therefore to understand the relationship between corporate entrepreneurship on the performance of companies. Above that, the objectives are to identify the contribution of the factors for the Corporate Entrepreneurship and understand its influence on the overall performance of the organization.

1.4. Study Objective

The objectives of this research were categorized into two parts, the general objective and specific objectives. In the sub-sections that follow (i.e. sub-section 1.3.1 and 1.3.2), the details of each category are provided.

1.4.1 General objective

The main objective of this study was to understand the existing relationship between Corporate Entrepreneurship and business organization performance in Tanzania Telecommunication Company limited (TTCL).
1.4.2 Specific objectives

i. To identify the innovations and venture creations of the organization.

ii. To check whether the organization has shown any proactive and self-renewal traits towards improving its performance.

iii. To suggest possible actions that can be employed to promote effectiveness of Corporate Entrepreneurship as a strategy on improving organization performance.

1.5. Research Questions

i. Are there innovations and ventures created in the organization to improve its performance?


iii. What are the possible remedial actions that can be taken to promote use of Corporate Entrepreneurship as a strategy on improving organization performance?

1.6. Significance of the Study

This research will help to provide for the understanding of the relationship between corporate entrepreneurship and organization performance to different stakeholders both providers and recipient of the research document. It will bridge manager’s knowledge on Corporate Entrepreneurship, its importance and applicability on improving organization performance. Both internal and external stakeholders will find this study helpful to them since the corporate action and decision affect the organization at whole. Each stake member will be aligned to work along with the new direction of the organization of not only being a governmental institution but also a corporate entrepreneur firm. Lastly the study shall provide guide and become useful to future researchers who will be interested in carrying out researches in the same area but concentrating on other relatable variables.
1.7. Scope and delimitation of the Study

The study has focused to TTCL Company in particular which has been experiencing the problem of poor organization performance in time. The study was narrowed to this coverage because it one of the few telecommunication company that has showed a steady slump of its market share in years back to now despite of enormous amount of efforts that have been provided by shareholders and investors to save the company.

1.7 Limitation of the study

This study was affected by several factors.

1.7.1. Difficulty in data accessibility

Difficulty in data accessibility was a huge barrier to the effective conduct of this study. Due to confidentiality and management reasons some information was not given by respondents like sales in amount of number.

1.7.2. Time constraint

The time granted to accomplish the research was too short in such a way that it was difficult to cover the big sample, so only a reasonable sample size was used. Also time of response from the questionnaire and time for interview took long in the end oral mode of answering was used

1.7.3. Lack of cooperation

Lack of cooperation is also one of the factors that affect many researches and which affected this study as well. Some members of staff were unwilling to provide the necessary information to the researcher. This also affected attainment of the intended amount of data for this study. There were absence of 8 respondents and their assistance were unwilling to answer the questions.
1.7.4. Insufficient fund

Funds were also another limiting factor. Money was required to support issues like stationeries, printing, photocopies and transport but the money for research was not enough leading to great challenges in data collection.
CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

As pointed out by Kombo (2006) that literature review provides the research problem into perspectives, shaping and deepening the theoretical foundation of the problem at hand. This chapter explores and provides an insight on what has been done by various scholars theoretical as well as empirical. It consists, the meaning of various concepts, like Corporate Entrepreneurship and its difference from entrepreneurship, the different types of Corporate Entrepreneurship, meaning of business organization performance and reasons to it so as to make them sensible and understandable. Theories on the issues at the hand and the empirical analysis will be reviewed in order to put the problem into on exposed approach.

2.2 Corporate entrepreneurship

A corporation is a legal form of business created through law that empowers a business legal entity organization. The term Corporate Entrepreneurship comes from the popular term of corporate entrepreneurship (Holt, 2004). Entrepreneurship is creation, discovery, exploitation of value adding opportunities (Masurel, 2010). Therefore by the above definition we can say corporate entrepreneurship is concerned with creation, discovery, and exploitation of value adding opportunities in a corporation. Differing definition have thereafter came to existence, Corporate Entrepreneurship or corporate entrepreneurship is the process by which other new ventures are born within the confines of an existing corporation. It involves the expansion by exploring new opportunities through new combinations of existing resources” (Gupta, 2012). Other researchers including Schollhammer (1982) refers to it as “intra-corporate” entrepreneurship and that “an entrepreneurial event does not take place when the formal organization is involved in traditional research and development unless individual can work independently to create a new venture while sharing both risk and rewards”. “intrapreneur as someone who violates policy ignores the chain of command, defies established procedures and perhaps comes up with a great new product for the company” (Pinchcot, 1985).
More definitions have been introduced like “intra-corporate venturing” and the Washington Bureaucracies came with ICE an acronym for intra-corporate entrepreneurship”. Hisrich (1990) explained their characteristic to be understanding the environment, being visionary and flexible, creating management options, encouraging team work, encouraging open discussion, building a coalition of supporters, and persisting.

Innovation is a simple language which means “changes”. Schollhammer (1982) categorized corporate entrepreneurship/Corporate Entrepreneurship in five categories depending on how their innovation benefits the corporation.

**Administrative Entrepreneurship;** These go a step beyond formal R&D to encourage innovation and commercial development of new inventions. This rise from organization interest on research as it acts as a source of information for new invention and quality decision making output.

**Opportunistic Entrepreneurship;** In this type the formal structure ties are loosened up and managers are given freedom to pursue opportunities for the organization through external markets. An opportunity identified by the manager is backed by the corporation but as an external activity and not directly connected with the organization.

**Acquisitive Entrepreneurship;** Corporate managers here search for external opportunities such as other firms and entrepreneurial start-ups that can enhance the corporate profile through external growth strategies that are merger, acquisition, joint ventures and licensing agreement. This saves them trouble and cost for starting or producing a new invention.

**Imitative Entrepreneurship;** Chinese is a good example in this period. Jaguar Land rover a Germany producer of vehicles and motor van accused a china company for manufacturing a similar car of theirs in terms of appearance and sold at a lesser price, the so called “evock ranger rover” was the land rover’s while the china company Jiangling motors and Changan Auto made “landwind x7” the copy of the “evock”.

**Incubative Entrepreneurship;** After ideas whether searched for, acquired or imitated are put into action the incubative entrepreneur scrutinize them by monitoring its
performance and determining if it brings value and vital for the corporation survival or not. Either in teams, they use their innovative skills to test market of the project.

2.3. Business Organization Performance

Performance of an organization can be measured both qualitatively and quantitatively. Qualitatively involves checking if the current strategy feels right, if they have succeeded with other organization in the same circumstances and if it fits the industry. Quantitatively checks the extent the organization achieves its goal (Haderberg and Rieple, 2008). How managers performance their job well determines how an organization achieves its goal. Organizational performance measure how efficient and effective an organization is-how well it achieves its appropriate objectives (Stoner, 2007).

Performance Management system measures the inputs and outputs to an operation in order to determine how well or badly they are used by the operation. It involves managing and measuring performance, administering performance, appraisal schemes and administering personal development (Campbell and Craig, 2005). Dessler 2005 also defined performance management as the process employers use to make sure employees are working towards organizational goals or a process that consolidates goal setting, performance appraisal and development into a single common system the aim of which is to ensure that the employee’s performance is supporting the company’s strategic aims. In order to achieve a high performance standard in an organization there must be an agreement and shared vision among all its participants and the organization needs to be extremely customer-driven opportunity focused (Ryan and Hiduke 2009).

Culture is said to have a strong impact on the performance of the organization (Stoner, 2007). Traditional management has been criticized for restricting an organization to outperform from its restrictive nature (Ryan and Hiduke, 2009). And so ensure that performance standards and established goals are met, managers are needed to ensure effective control (Newman, 1987).
2.3.1 Steps on Measuring Desirable Performance

Stoner (2007) emphasized on Control as a management process to ensure performance standards are attained. He defined Management Control as the process of ensuring that actual activities conform to planned activities of an organization. Control involved the following steps.

1. Establish standards and methods for measuring performance
2. Measure the performance
3. Determine whether the performance matches the standard
4. Take corrective action.

2.3.2 Performance appraisal

It involves evaluating an employee’s current and past performance relative to his performance standards (Dessler, 2005). It is important as it translates employer’s strategic goals into specific employee’s goals, second lets the boss and subordinates develop a plan for correcting any deficiencies the appraisal might have unearthed, third serve a useful career planning purpose by providing the opportunity to review the employees career plans in light of his or her exhibited strength and weaknesses. It is also to let employees know how they are doing and provide a basis for promotions, salary increases, counseling and other purposes related to employee’s future (Besterfield, 2003).

Steps in appraising performance. Defining the Job by making sure that you and your subordinate agree on his or her duties and job standards. Appraising performance means comparing your subordinate actual performance to the standards that have been set and lastly feedback sessions where managers and subordinates discuss the subordinates performance and progress and make plans for any development required (Besterfield, 2003).

Approaches in Evaluating Organization Performance have been explained by Dess (2010) as follows;
2.3.2.1 Financial Ration Analysis

Is a technique for measuring the performance of a firm according to its balance sheet, Income statement and market valuation. It involves computing and analyzing the following financial ratios: Liquidity or short-term solvency ratio, long-term solvency ratio, Asset management ratio, Profitability ratio and Market Value ratio.

2.3.2.2 Balance Scorecard Approach

Is a method of evaluating a firm’s performance using performance measures from the customer’s internal innovation and learning and financial perspectives. This method enables managers to consider their business from four key perspectives: customer perspective, internal business perspective, innovation and learning perspective and financial perspective.

Haderberg (2009) addressed key steps in assessing performance. In assessing organization success or failure there are three stages that are:

i. Working out what to observe and measure - Success is mostly measured in financial and economic terms, using a measure like return on capital employed or profits

ii. Choosing the standard against which to measure performance – Mostly are set by managers in financial terms, a good measurement needs to be gauged externally against that of competitors

iii. Drawing Conclusion about how strong or weak is the performance – analysis of the results could tell if the organization is performing good, mediocre or poor

2.3.3 Key Performance Indicators

“Key performance indicators” means factors by reference to which the development, performance or position of the business of the company can be measured effectively. Bhat (2010) defined them as measures that specify the optimum performance level expected of a particular job role. They help improve performances practices and capabilities, facilitate communication and sharing of best practices among organizations and serves as a working tool for understanding and managing performance, planning, training and assessment (Besterfield, 2003).
2.3.3.1 Leadership and Management

It examines how the leadership system address values, company directions, performance expectations, a focus on customers and other stakeholders, learning and innovation.

2.3.3.2 Human Resource Focus

Examines how the company enables employees to develop and utilize their full potential aligned with the companies’ objectives, also building and maintaining a work environment and work climate conducive to performance excellence, full participation and personal and organizational growth.

2.3.3.3 Customer Orientation and Marketing

Examines how the company determines requirements, expectations and preferences of customers and markets, also how it builds relationships with customers and determines their satisfaction.

2.3.3.4 Financial Management

Involves examining the input and output of financial resources and ensuring that the organizations funds were used as planned. This includes use of financial statements and financial ratios.

2.3.3.5 Innovation and Technology

Examines how ideas are generated, developed and transformed into value. The frequency into which a new and up-to-date technology is generated and adapted by the organization. Its layouts the current status of production tools and methods.

2.3.3.6 Corporate Social Responsibility and Environmental Focus

Examines organization strength in relation to its external environment. Its ability to compete with other competitors yet stay aligned and according with the environment its surrounded with.
2.3.3.7 Productivity and Quality

Company’s performance and improvement in key business areas, customer satisfaction, financial and market performance, human resource results, supplier and partner performance and operational performance.

2.3.4 How to become a high performing organization

High-performance organizations are the exemplars of successful businesses (Zimmerer, 2008). They represent real-world models of a modern managerial ideal: organizations that excel in so many areas that they consistently outperform competitors for extended periods of time (Newman, 1987).

Companies that excel in the following five key human capital domains are more likely to outperform competitors, engage employees and realize bottom-line impact. The five domains of high-performance organization system are as follows:

2.3.4.1 Strategy

An organization's human capital must be aligned to the business strategy so that every employee is focused on the same goal. A strategy is a plan or a specific course of action that can be taken to achieve an organization goal in the context of competitive environment (Bhat, 2010)

2.3.4.2 Leadership

Leaders must communicate performance expectations, develop and promote the right people and convince employees that their behaviors are critical to success. Therefore a leader should inspire its employees in a positive approach towards the organization goal (Gupta, 2008).

2.3.4.3 Talent

Human Resource strategy must be developed around the business model to ensure that the proper human capital components are put in place to drive business value.
Individually, those who have enthusiasm and passion for what they do and are willing to see the organization move forward.

2.3.4.4 Culture

The values and beliefs at all levels and in all departments must be aligned, and existing and future leaders should be role models for this culture. A culture that adapts and survive from the external changes and that increases internal integration contributes a great deal to the achievement of organization objective and in improving its performance (Bhat, 2010).

2.3.4.5 Market

Every employee in the organization should understand the marketplace and customers and should know how his or her job impacts business results. The target market should be well known by each employee and every action must be done to attain what the management aims for (Ryan and Hiduke, 2009).

2.4 Management’s efforts in improving organization performance

According to our research problem the possible causes of a poor business organization performance can be caused through external conditions or the companies’ personal shortcomings (Holt, 2006). Externalities include fast fluctuating interest rates, economic business cycles, interrupted supplies, labor Market trends, inflation, government regulations and unstable financial markets. Internal or personal factors include Inexperience and lack of managerial and technical skills; Arrogance entrepreneurs become egocentrically engrossed in their ventures; Mismanagement and making bad decisions in critical situations such as over investment, poor inventory control, and poor financial control; Poor Business Philosophy and conflicting individual and business interest; lack of planning cause the business to lack guidelines for action.

Management is practiced in all types of organized activities so is its principles are applicable to all type of organization let it be private, Government or NGO. Any organization of individuals with resources and a goal aiming to achieve is engaged in management. It encompasses of four activities, Planning, Organizing, Directing and
Controlling. An enterprise management is to achieve *profitability, reasonable safety and appreciation of the investment, survival and growth of the enterprise and fulfillment of the enterprise responsibility towards customers, employees, suppliers, government, community*, (Gupta, 2008).

Organization performance is the one that determines if the organization is growing or failing. It is "the way in which an organization tries to be effective" (Griffin, 2011). It can be measured in terms of efficiency or effectiveness. "Performance is the attainment of organizational goals by using resources in an efficient and effective manner" (Daft, 2013). As Drucker (1985) has stated, efficiency means "doing things right," and effectiveness means "doing the right things". Therefore, managers must be both effective and efficient. Particularly, effectiveness is the secret of success for any organization.

“Falling Business” results to poor business performance and as any other problem that an organization faces the Traditional Management uses the following approaches in solving problems (Gupta, 2008).

*Routine Approach;* Standard operating procedures are used under prescribed conditions. The effect of a problem on organization performance and employees are not considered.

*Scientific Approach;* it involves the following steps define the problem, analyze the problem, identify the tentative solutions, evaluate the alternative solutions and select the most appropriate alternative.

*Decisional Approach;* a decision is made to obtain desired solution to the problem which is a barrier to the desired result.

*Creative Approach;* made if its impractical to reach final decision it involves the following steps identify and state the problem, prepare for creativity, Encourage idea fluency to take place, permit illumination of new idea, verify and evaluate the proposed answer and apply the recommended answer and lastly is *Quantitative Approach* where in this a mathematical model is formulated to express the interrelationship between the different variables of the problem.
According to Gupta (2008) effective problem solving involves the following steps,

*Define the problem, specify Objectives, Collect the fact, Analyze the facts, Discover possible courses of action, evaluate possible courses of action, Decide and implement and monitor and modify.*

### 2.5 School of thoughts of Corporate Entrepreneurship

A number of schools of thoughts have been advanced in an attempt to justify Corporate Entrepreneurship as a solution to poor business performance. While scholars agree in confederation of corporate entrepreneurs, different arguments exists regarding defining the intrapreneur and its duties compared to any other employee in the organization. Brikinshaw(1996) identified four stands of the literature that he called ‘basic schools of thought’ they are (i) *corporate venturing*, (ii) *intrapreneuship*, (iii) *bringing the market inside* and (iv) *entrepreneurial transformation*

*Corporate venturing* is concerned with larger businesses needing to manage new, entrepreneurial businesses separately from the mainstream activity. It is concerned with investment by larger firms in strategically important smaller firms and different forms of corporate venturing units. This provided the organization with short term financing but more it also relate to the issue of innovation and strategic foresight. *Intrapreneurship* is concerned with individual employees and how they might be encouraged to act in an entrepreneurial way within a larger organization.

They invent new products; work with team to cut through the bureaucracy of the organization to develop it for the market place as quickly possible. They work hard to create entrepreneurial structures and cultures around them, but always having to communicate with the more bureaucratic organization that employs them. *Bringing the market inside* focuses mainly on the structural changes needed to encourage entrepreneurial behavior and argues for a market approach to resource allocation and people management systems using market-based techniques such as spin-offs and venture capital operations. *Entrepreneurial transformation* this entails the need for large firms to adopt an ever changing environment if they are to survive and to do so they need to familiarize their structures and cultures so as to encourage entrepreneurial activity in its individual employees.
According to this school individual behavior is fashioned by the leadership, strategy, systems, structures and culture in the organization (Burns, 2007).

2.6 Establishment of Corporate Entrepreneurship on improving organization business performance

Many business firms started small and have become big through continuous growth, but it has been restricted by constraints of market demand, finance, technology, management skills (Gupta, 2012) which in-turns leads to poor performance. Burns, (2007) on explaining successful entrepreneurial strategies he identified five “winning performance factors” which are. *Compete on quality rather than price, Dominate a market Niche, Compete in areas of strength, Have tight financial and operating controls, frequent product or service innovation.* That said the key to establish an entrepreneur friendly environment is to create an innovative working environment (Carland, 2007). With corporate entrepreneurs as innovators and game changers in an organization with their skills they can either create or extend corporate activities. This may take form of departments, divisions or a whole new entity with corporate back up. All this is essential especially if it’s a falling corporation like TTCL. The ultimate challenge for corporations is to attract, nurture and retain disruptive mavericks that can rejuvenate growth through successful innovations (Holt, 2006).

Fueled by intense competitive pressures and heightened environmental turbulence and complexity, the management of technical innovation has become an increasingly critical activity in contemporary organizations (Davis, 1999). Successful technological innovation requires a unique combination of entrepreneurial and managerial skills (Maidique, 1980).

Study perceived corporate entrepreneurs to be more creative and innovative, ambitious, aggressive, enthusiastic, and resilient than their managerial counterparts. In contrast, traditional general managers were perceived as more reputable and organized as, with more formal education and corporate experience than corporate entrepreneurs (Davis, 1999). So saying contemporary organizations are placing a higher priority on efforts to identify individuals suited to corporate entrepreneurial roles (Martin, 1994; Oden, 1997).
Corporate Entrepreneurship is considered an important element in organizational and economic development (Antoncic and Hisrich, 2001). Corporate Entrepreneurship potentially contributes to a firm's competitive advantage. Competitive advantage ensures the security and growth of the firm's enterprise value, a major concern of its stakeholders (Philip, 2009). Senior management plays an important role in determining whether or not the organization supports Corporate Entrepreneurship largely because they have the power to make things happen. Top management’s role and interest for innovation and Corporate Entrepreneurship is important (Menzel, 2007).

Holt (2004) came up with two ways to create and foster Corporate Entrepreneurship within an organization.

(i) **Corporate new venture units**

The above term is created to foster corporate entrepreneurship within the organization. It’s like a focus group of innovative employees. The units are team like developed within the corporation to bring about new ideas, to nourish them through the necessary stages for commercialization and often to continue as the management cadre in charge of the venture. In general, companies either encourage spontaneous team effort or create formal venture teams (Holt, 2004).

Various author differently described this phenomenon. Haderberg (2009) called it “skunkworks” referring to it as a group of corporate entrepreneurs who are deliberately separated from the normal operation of the organization to encourage them to devote all their attention to developing new products.

Spontaneous team is used when organization has no policy for empowering developing venture teams bootleg atmosphere may involve. Pinchcot (1985) identified four stages of developing this team the first stage is *solo phase* where a single innovator nurture the idea until he becomes aware of it, second stage is *network phase* where innovator reach out for support from other people, Third stage is *bootleg phase* data is collected and presented to the management as a proposal for support and last stage the *formal term phase* where after management supports idea the team member are given authority to proceed with the project (Holt, 2004).
New businesses created through Corporate Venture may be heterogeneous in terms of their markets, products and innovativeness, as well as in terms of the nature of their ‘parent’ incubator organizations. They are created besides as corporate developments (Phillip, 2009).

Also Hisrich (2009) support it by referring corporate venturing or new business venturing as creation of new business within an existing organization. The activities consist of creating something new of value either by redefining the company’s current products or services, developing new markets or forming autonomous or semiautonomous units or firms.

(ii) **Formal Venture Unit**

Innovators still endured the solo phase unit until the put enough substances into their ideas to make a feasibility proposal to management. Once accepted then an entrepreneurial team takes it to a pre determined stage of development by market research and testing if the idea proves to be a failure it’s written off and if merit the development of budget is prepared to allow the teams product to enter a market. Each firm has method of launching projects, but the following three approaches stand out, *Innovation transfer* accomplished by integrating the new product into existing operations, *New Division Status* is the second approach achieved through a corporate mandate to solidify a project into formal operating division. *Spin-offs* these are the business entities created through the venture team and can take form of corporate subsidiaries or autonomous corporations (Holt, 2004).

Hisrich (2009) came up with three additional ways to foster entrepreneurship within the organization which are *innovation, self-renewal and proactiveness*.

(iii) **Innovation**

Organization innovativeness refers to product and service innovation, with an emphasis on development and innovation in technology. It includes new product development, product improvements and new production methods and procedures. An entrepreneur introduces new ideas to increase profits and is therefore an innovator (Gupta, 2008).
(iv) **Self-renewal**
Is the transformation of an organization through the renewal of the key ideas on which is built on. It has strategic and organizational change suggestion and includes a redefinition of the business concept, recognition and the introduction of system wide changes to increase innovation (Hisrich, 2009). Business concept is an idea for a business that includes basic information such as the service or product, the target customers, value position, distribution and a unique selling proposition that gives a company an advantage over competitors (Gupta, 2008).

(v) **Proactiveness**
This includes initiative and risk taking as well as competitive aggressiveness and boldness which are particularly reflected in the orientations and activities of top management. A proactive organization tends to take risk by conducting experiments; it also takes initiative and is bold and aggressive in pursuing opportunities. Organizations with proactive spirit attempt to lead rather than follow competitors in such key business areas as the introduction of new products and services, operating technologies and administrative techniques (Hisrich, 2009).

As explained that an corporate entrepreneur creates new ventures within an organization. Creating a new organization is different from the falling businesses of an organization but can be helpful if say the technology or environment does not allow the existence or survival of the falling business.

We are now going to see a “paradigm in which the sequence of activities starts with the initial idea ends with an established enterprise positioned for growth” (Holt, 2004). It encompasses a feasibility plan which entails that entrepreneurs should do the planning necessary to ensure feasibility of a venture without becoming overwhelmed in the process. The plan is called the four-stage growth model consist of categories of distinct activities essential for a new venture to progress from an idea to a substantial enterprise. These are; **Pre-start-up stage, start up stage, early growth stage and later growth stages**;

**Pre-start-up stage;** the idea evolves from a creative process to the point of being consciously perceived as commercial endeavors. Involves stages that are business
concept identified explains the purpose of the venture, product-market study here product research is done, Financial planning-financial projections and lastly pre-start-up implementation-getting ready to start through collection of necessary resources.

*Start up stage:* it’s the initial period of business. Here entrepreneur want to meet the operating objectives such as satisfying revenue and cost targets and position the venture for long-term growth.

*Early growth:* once venture is positioned, successful ventures will experience growth either slow or rapid one depending on changes in consumer demand

*Later growth:* here the company grows out to the public and many changes from private to public organizations allowing the public to own shares and founders if lucky enough to be in the corporate management may still own a large share but if not then they become ousted.

2.7 Factors that affect the effectiveness of Corporate Entrepreneurship in improving organization business performance

Many literatures have identified reasons as to why Corporate Entrepreneurship can’t be practiced in organization. Major and minor reasons have been identified. Bernestein (2013) claimed management views entrepreneurs expect focused teams that operate in short cycles, while big business offers multi-level management and long-cycle appraisals. Arbitrarily speaking they include owner’s desires, pressure of work, limited resources, poor entrepreneurial skills, Monitoring, central power but all this have been summarized to the following major reasons.

2.7.1. Corporate culture

Corporate Entrepreneurship is influenced by the corporate culture as explained by Hisrich (1990) below.

Although traditional corporate cultures do vary greatly from a more bureaucratic inflexible system to a more entrepreneurial flexible one, in the extreme cases the usually guiding principles are: *Follow the instructions given; do not make any mistakes; do not fail; do not take initiative but wait for instructions; stay within your turf; and protect*
your backside. This restrictive environment is not conducive to creativity, flexibility, independence, and risk taking the characteristics of entrepreneurs.

To allow for an entrepreneurial culture Burns (2007) came up with an entrepreneurial architecture. Architecture that describes the relational contracts within and around the organization with customer, supplier and staff and so with an entrepreneurial one it allowed an organization to seize opportunities quickly and respond to change quickly.

The guiding principles of a good entrepreneurial-intrapreneurial climate are quite different: Develop visions, goals, and action plans; take action and be rewarded; suggest, try, and experiment; create and develop regardless of the area; and take responsibility and ownership.

This environment, of course, supports individuals in their effort to create something new. In addition to the corporate climate, there are differences in the shared values and norms of the two cultures.

Also Rule and Irwin (1988) theorized that one could create a culture of innovation through formation of intrapreneural teams and task forces, Recruitment of new staff with new ideas, Application of strategic plans that focus on achieving innovation and lastly establishment of internal research and development programs.

The extreme traditional corporation is hierarchical in nature with established procedures, reporting systems, lines of authority and responsibility, instructions, mandates, standardized hours, and control mechanisms (Hisrich, 1990). Eschewing the traditional management evaluation requires commitment from the top levels of the organization and a willingness to resist pressure from the shareholder.

Furthermore elaboration from Carland (1999) is that shareholders claimed that innovation is wasteful as it produces failures which consume resources; it produces a playful atmosphere which is seemingly less efficient. Meaning that most times when big firms support innovation among its people, that firm is producing such great returns for its shareholders that they don’t resist the “waste of resources”.

These cultural aspects support the corporate climate in prohibiting new venture creation. Contemporary business pressures for innovation and resultant organizational strategies
call for organizations to place a high priority on identifying, developing, and retaining individuals suited to such entrepreneurial organizational roles (Davis, 1999).

However, there will not be any Corporate Entrepreneurship without action, effort and achievement that comes from the individuals themselves. The individuals have their professional background, and the surrounding cultural circumstances either give them support or even hinder the emergence of Corporate Entrepreneurship (Menzel, 2007).

The culture of a strong corporate entrepreneurial firm is in stark contrast. Instead of a hierarchical structure with all the accompanying problems, an intrapreneurial climate has a flat organizational structure with networking, teamwork, sponsors, and mentors abounding. Close working relationships are established that allow vision and objectives to be accomplished through an atmosphere of trust and counsel. Tasks are viewed as fun activities (not chores) with participants gladly putting in the amount of hours necessary to get the job done. Instead of building barriers to protect turfs, advice and cross-fertilization freely occur within and across functional areas and even divisions (Hisrich, 1990).

“Incremental improvements such as change the target markets, add flavor to products, change the trade dressage or change appearance of the product rather than create new products are one thing but these changes do not conquer new markets. Often what is needed is the mould-breaking innovation and big companies can put bureaucratic barriers in this way” (Burns, 2007). The scope of Corporate Entrepreneurship is also widening as organizations that have not previously been recognized as entrepreneurial begin to do so in order to survive and succeed in increasingly competitive and financially constrained environments (Philip, 2009).

2.7.2. Learning Organization

An organization that is inhibits learning is detrimental for Corporate Entrepreneurship. “Entrepreneurs learn by doing and they learn quickly not to repeat mistakes but to capitalize on success. As organizations grow the challenge is for knowledge and learning to continue to be transferred in this way (Burns, 2007). Therefore in order to leave the people in the organization free to innovate, they must use the goals and values
of the organization to guide behavior—not rules, procedures or reward and punishment (Frohman, 1998; Mc Adam and McClelland, 2002).

‘Listening is a big part of the top manager’s job of encouraging potential corporate entrepreneurs. Managers need to ‘pay attention to every idea, no matter how unlikely, because today’s loser might become tomorrow’s winner’ (Nicholson, 1998). This will improve communication to both manager and employer giving each other chances to learn from the other person’s ideas as well as creating unitarism—a belief that the interest of the organization and the individual are the same (Burns 2007), this will create a learning organization. ‘A learning organization has been defined as one that facilitates the learning of all its members and continuously transform itself… adapting, changing, developing and transforming themselves in response to the needs, wishes and aspirations of people inside and outside’ (Pedler, 1991). Learning is more than just information knowledge but about learning from each other and from outside the organization. A learning organization thrives in turbulent and changing environment as it is fast and responsive (Burns, 2007).

2.7.3. Top Management

The top management’s inconsistent, intermittent or sporadic enthusiasm or lack of commitment of the top management to the growth of the company as perceived by the employees can kill the intrapreneurial spirit in employees. This often results in poor follow-up and indifference on the part of the management to intrapreneurial achievements in the organization leading to non-existence or presence of weak reward and recognition mechanisms. This, in turn, can remove the steam from the innovation engine in the company (Seshadri and Tripathy, 2006).

2.8 Empirical Literature Review

In this section, various studies made by various expertises relating to the study Understanding the existing relationship between Corporate Entrepreneurship and business organization performance are analyzed in order to provide some insight on the specified objective.
According to Hagedorn and Jamieson (2014), did a research on Intrapreneurial sense making: the case of a re-envisioned school of professional studies, in this study, findings show that intrapreneurial efforts strive to discover ways of doing business or develop products and processes which result in new demand. Highly productive intrapreneurial activity within a firm is closely associated with Austin and Devin’s (2003) report where they focused on the theatrical qualities of release, collaboration, ensemble, and play as similar to business and management best practices.

During the discussion, it was argued the social construction of meaning and reality can serve as a catalyst for organizational change in academic institutions, and noted the current environment in academia “Has brought a disquieting trend toward declining enrolments, reduced funding, and external competition bringing many higher education institutions into a period of reorientation, requiring non-traditional types of change to deal with the new, competitive environment”. Because these challenges in academia are requiring radical changes in the way institutions market to and serve education consumers, many of them must adopt a more intrapreneurial and innovative mindset. This requires the collective development of mental models by using collaborative sense making, similar to what Hill and Levenhagen (1995) described by entrepreneurs facing situations of ambiguity and uncertainty.

The authors’ experience with this case illustrates the importance of participative sense making and the social construction of meaning along with emergence and design thinking when dealing with ambiguous circumstances in the context of an academic institution. Emergence requires a working environment in which experimentation and failure is not only tolerated but also rewarded. Our findings are also supported by the results of a four-year longitudinal study of six academic institutions which identified collaborative sense making as a key component for transformational change. Specifically, they found all the institutions that “Made substantial progress toward change” had five strategic conditions in place: senior administrative support, collaborative leadership, robust design, staff development, and visible action. Moreover, they asserted “What made these five strategies so powerful was their ability to help individuals conceptualize a new identity, to feel worthwhile about their efforts, and to be brought along with the institutional agenda – what is labeled sense making”.

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According to Hayton (2005), who did a research on “Competing in the new economy: the effect of intellectual capital (IC) on corporate entrepreneurship in high-technology new ventures (HTNV’s)”, in this study, findings provide support for our argument that the dimensions of IC positively influenced corporate entrepreneurship by HTNVs.

This study suggests that at least two of the three dimensions of IC are related to innovation and venturing for all HTNVs: reputational capital, indicated by media exposure; and human capital, indicated by educational diversity and in certain industries, the extent of advanced scientific education of the top management team.

Drawing on prior literature, they examined five aspects of human capital that reflect three types of information: level of formal education, the less tangible aspect reflected by industry experience, and the heterogeneity of perspectives indicated by functional and educational diversity. Of these measures, only educational diversity was significantly associated with our entrepreneurial outcome variables for all HTNVs. However, this variable was important for both innovation and venturing. It is interesting that diversity but not level of top management human capital are related to the innovative performance of organizations.

Given that organizational learning tends to be a group activity, involving interactive knowledge creation and sharing, it is likely that different perspective that results from a heterogeneous. In terms of corporate entrepreneurship, top management team diversity has a positive influence on both innovation and venturing activities. Group enhance the creative problem solving process.

According to Seshadri and Tripathy (2006) who did a research on Innovation through Corporate Entrepreneurship: The Road Less Travelled, in this study, findings shows that Large companies worldwide are on a journey to create organizational cultures, conditions, and processes that facilitate innovation and enable large numbers of employees to move from an ‘employee mindset’ to an ‘intrapreneur mindset.’ The steps taken to create an innovative and intrapreneurial organization are the first in the long journey on which any company seeking to succeed in today’s turbulent times must continue to persevere. When companies make innovation and encouragement of
Corporate Entrepreneurship a part of their ongoing business agenda, a sense of psychological ownership is created among the employees with regard to their roles and responsibilities and the expectation that each employee is expected to innovate in his/her role is clearly communicated across the organization.

This, in turn, ensures proper utilization of a company’s most important asset, viz., its people. the corporate entrepreneurs, play a key role in keeping employees motivated and open new avenues for them to bring their vision and creativity into reality for the benefit of the organization.

According to Carland and Carland (2007), who did a research on “Corporate Entrepreneurship: A Requisite For Success” in this study, findings shows that the need for innovation within organizations is a topic of much debate today as entrepreneurship has finally caught the world’s attention. If entrepreneurial firms change the business paradigms and make us see products and services in a different manner, then why can’t existing organizations with their tremendous wealth and resources foster innovation much more readily? They can and do, but corporate entrepreneurship is not a concept accepted by all large organizations. In an effort to become more effective and cost effective, the search for the new and untried is anathema. Those who wish to go where no man has gone before must innovate or they will not reach their goals.

Based on the earlier studies reviewed above, they provided more on the importance of intrepreneurship (innovation within the organization) in improving business position in the market as well as its internal environment where on the intention and implementation of Corporate Entrepreneurship in an organisation has shown a huge difference in eradicating a falling business as it was not assessed. So this is the research gap the study wishes to uncover which is assessing Corporate Entrepreneurship in eradicating falling businesses or operations.

2.9 Conceptual Framework

A conceptual framework is described as a set of broad ideas and principles taken from relevant fields of enquiry and used to structure a subsequent presentation (Rachel and Ramey, 2007). When clearly articulated, a conceptual framework has potential usefulness as a tool to scaffold research and, therefore, to assist a researcher to make
meaning of subsequent findings. Such a framework should be intended as a starting point for reflection about the research and its context. The framework is a research tool intended to assist a researcher to develop awareness and understanding of the situation under scrutiny and to communicate this.

As with all investigation in the social world, the framework itself forms part of the *agenda for negotiation* to be scrutinized and tested, reviewed and reformed as a result of investigation (Guba and Lincoln, 2009). The conceptual model for this study has been built by integrating together the reviewed literature on the concept of Corporate Entrepreneurship on eradicating falling businesses. For the case of this study conceptual framework links the relationship between independent variables and dependent variable.

The general idea of this research is to make an assessment of Corporate Entrepreneurship in eradicating falling business to an organization at TTCL as shown in the figure 2.1 below;

**Figure 2.1: Conceptual Framework**

![Conceptual Framework Diagram]

Above conceptual framework shows that corporate entrepreneurship is a function of Innovation, New venture creation, Self-renewal and Proactiveness that have a positive influence to an organization performance. However the background variable on the organization performance which is *Financial Performance, Growth and improvement* as well as *Productivity* may or may not be influenced by the corporate entrepreneur incentives. Financial Performance includes Return on Sales, Return on asset and Return on Equity. Growth and Improvement include recruitment, Market share, sales and company size. Productivity looks at the comparison of inputs and outputs, inputs include...
revenue from sales and profit and output refers to cost such as wages, rent and Transport costs.

Innovation, Creativity is defined as generation of new ideas and innovation is the translation of a new idea into a new company service process or product (Stoner, 2007). It refers to the ability to introduce new things or novelties through experimentation and creative processes with the aim of developing new products, services and processes (Augusto, 2012). It includes four (4) forms process, product, service and management innovation (Kikula, 2014). Higher productivity often requires innovation (Holt, 1994).

New Venture Creation (tax-incentives) may have positive influence on the performance of the organization as the creation of a new firm within a firm calls for an increase in business functions; they bring in new knowledge and technologies, processes that beat competition by creating and working in teams and encouraging individual innovation.

Self-renewal also influences the performance of an organization. A self-renewal process recognizes or studies weakness of the organization on each business concept and helps it to transform them to strength. They include organization products value, target demographics, distribution, organization vision, mission as well as objective. A weakness or strength of the variables may or may not bring effect to the organization performance.

Proactiveness improves an organization business performance. Proactive organization focuses on growth and development, following leaders and co-operation with other companies, it takes initiatives to stay ahead of other organizations by means of risk taking by conducting experiments, competitive aggressiveness and boldness in pursuing opportunities which are particularly reflected in the orientations and activities of top management. Proactiveness is a work-related behavior defined as self-starting and proactive that overcomes barriers to achieve a goal
CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter consists of seven subparts: The first subpart highlights on area of study, Second subpart is research design, third subpart deals with data collection procedures and instruments, fourth subpart is all about data Analysis Methods, fifth subpart is data reliability and the last part is validity.

3.2 Area of the study

This study was done at the TTCL Headquarter in Dar es Salaam region. This is because corporate entrepreneurship entails managers to be entrepreneurs within the organization and with the headquarters it is easier to get on hold with the managers of the organization than going to branch offices. Also because it is has been among other rivals in the Telecommunication Industry experiencing poor performance as result of debt and fall in market share.

3.3 Research Design

In order to provide an understanding about the problem, the study used a case study approach. This research design used because it attempts to capture a population’s characteristics by making inferences from a sample’s characteristics and then testing resulting hypotheses. Also this approach involved a single unit analysis, TTCL Headquarters in Dar es Salaam. Choosing this company made it easier for me to get a deep investigation and get relevant and reliable data. Also this approach gave flexibility on the insightfulness from different view of points for better conclusion.

3.4 Population of the study

According to the subject problem, the focus here was on the managers of TTCL. This population was prioritized because they are the change agents from a non
entrepreneurial firm to an entrepreneurial firm and the performance of the organization is their main concern.

The population of this study considered people who provided information related to getting to understand the relationship between corporate entrepreneurship and organization performance. For that purpose, this study considered the managers at high, middle and low level.

3.5 Sample size and sampling procedures

3.5.1 Sample size

A sample is a small group of respondent drawn from a population in which the researcher is interested in gaining information and drawing conclusions (Charles, 1995). The sample size of 40 respondents was selected in the organization.

Twelve (12) Head of departments, three (3) CEO’S or their assistance. Five (5) Head of Business units (HOBU) and the remaining 20 comprised of the low level managers that are supervisors, foreman, section officers, and superintendent. They were chosen because they had a direct impact in promoting an entrepreneurial culture in the organization.

3.5.2. Sample and sampling procedures

Sampling means drawing only a part of the population and study it and then making inferences about the population (Kothari, 2005). The sample used in this study comprised of TTCL managers, HOD’S and non managerial employees. The employees were selected using a non-probability sampling technique in order to get the data required. For the above purpose the study opt for two sampling methods that are judgmental and convenience.

3.5.2.1 Judgmental Sampling Method

The study used judgmental sampling method to select the CEO’S, HOD’S and HOBU samples for inclusion of this study. The process included purposively handpicking individuals from the population based on their authority and position.
3.5.2.2 Convenience Sampling Method

The study used convenience sampling Method on selecting the functional managers. The method gave the study ease in getting any among of the functional level managers quickly as it picked any of the ones available and it was appropriate for the study and time management purpose.

3.6 Methods of data collection

This study used both primary and secondary sources of data collection methods as discussed here below:

3.6.1 Primary data collection method

This is the data collected for the first time. In this study, collection of data from respondents was through the use of questionnaires that include both open and closed questions as well as interviews.

3.6.1.1 Questionnaires

The study used questionnaires, which were distributed to the Head of Departments, Head of Business units and the functional managers like superintendents to get the required information. The questions were short and clear to facilitate the response from the respondent.

3.6.1.2 Interviews

The study also used unstructured interview to get detailed information from the three CEO’s. These are chief Marketing and Sales officer, chief Financial officer and chief Technical officer. The processes involved placing an appointment for 10 minutes at least or even more if they offer. This collection technique allowed a chance to communicate face to face with the managers and employees and it provided chances to clarify issues so as to get complete and detailed information about the topic.
3.6.2 Secondary Data collection method

Saunders (2009) defines documentary review as a tool of data collection from the secondary data sources like using of documents. They refer to the data that were collected and analyzed by someone else, which may be either published or not published. The study used both published and unpublished sources of data to get useful information needed for the study.

3.7 Data Analysis Methods

Data obtained will be processed, analyzed and categorized to fulfill the objective of the research. A mixed approach that consists of quantitative and qualitative method was used.

3.7.1 Quantitative Data Analysis Method

The researcher used this analysis method to analyze data using tables, average, percentage and frequencies to interpret data. The data collected were analyzed using descriptive statistics a mathematical technique by the computer software SPSS whereby tables showed frequencies and percentages were used to show answers of the researcher questions.

3.7.2 Qualitative Data Analysis Method

The rationale for employing this technique was to uncover the deeper meaning and importance of human behavior and experience of the study and explanation of findings related to individual opinions, view points, behavior and their attitude towards corporate entrepreneurship. Furthermore this analysis provided recommendations and suggestions given by respondents during the field work.

3.8 Reliability and Validity Measurement

3.8.1 Reliability

Reliability refers the extent to which the data collection yields consistent results between two measures of the same thing (Kothari, 1990). Reliability in the qualitative research was used to check the consistency of patterns as developed by other scholars (Creswell,
Brewton and Millward (2001) argue that a researcher can ensure reliability thorough description of the research process which in turn increased transparency. For this case, the researcher formulated and designed proper questions in such a way that they do not create ambiguity.

### 3.8.2 Validity

Kothari (1990) defined validity as the most critical criterion and indicates the degree to which an instrument measures what it is supposed to measure. In other words, validity is the extent to which differences found with a measuring instrument reflects true differences among those being tested.

This was ensured throughout the research basing the study on relevant literature and formulating methods of data collection that was used to collect the expected data. The assessment of the validity was also check through the sampling technique used to collect data and response rates as well as a copy of the survey instrument which was questionnaire through which data was collected.
CHAPTER FOUR

FINDINGS AND DISCUSSION

4.1. Introduction

This chapter deals with data presentation, analysis and discussion of the findings in line with answering the research questions which was to understand the existing relationship between corporate Entrepreneurship and business performance in TTCL Company (Headquarters) Dar es Salaam.

4.2. Respondents Characteristics.

The total of 32 questionnaires was distributed to 32 respondents out of 40 at each different time. It consisted of the chief officers, Head of Departments, Head of Business Units as well as functional managers of the TTCL Company (Headquarters) in Dar es Salaam Region. The Table 4.1 shows characteristics of respondents including their, age gender, educational level and working experience.

Table 4.1: General characteristics of respondents

<table>
<thead>
<tr>
<th>Character</th>
<th>Category</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>24</td>
<td>75</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>8</td>
<td>25</td>
</tr>
<tr>
<td>Age distribution</td>
<td>20-34</td>
<td>3</td>
<td>9.4</td>
</tr>
<tr>
<td></td>
<td>35-44</td>
<td>8</td>
<td>25.0</td>
</tr>
<tr>
<td></td>
<td>45-54</td>
<td>18</td>
<td>56.3</td>
</tr>
<tr>
<td></td>
<td>55 and above</td>
<td>3</td>
<td>9.4</td>
</tr>
<tr>
<td>educational level</td>
<td>First degree</td>
<td>12</td>
<td>37.5</td>
</tr>
<tr>
<td></td>
<td>Post graduate</td>
<td>4</td>
<td>12.5</td>
</tr>
<tr>
<td></td>
<td>Masters</td>
<td>16</td>
<td>50.0</td>
</tr>
<tr>
<td>work experience</td>
<td>0-5 years</td>
<td>4</td>
<td>12.5</td>
</tr>
<tr>
<td></td>
<td>6-9 years</td>
<td>6</td>
<td>18.8</td>
</tr>
<tr>
<td></td>
<td>10-19 years</td>
<td>10</td>
<td>31.3</td>
</tr>
<tr>
<td></td>
<td>20-29yrs</td>
<td>12</td>
<td>37.5</td>
</tr>
</tbody>
</table>

Source: Field Data (2015)
4.2.1. Gender of respondents

Table 4.1 shows the gender distribution of the 32 respondents who are managers at the TTCL Company. The data provided shows that Seventy five percent (75%) of respondents were male while Twenty five percent (25%) were females. The views and opinions given in this study is representative of all sexes.

4.2.2. Age of Respondents

Table 4.1 shows the age distribution of the respondents who are managers at the TTCL Company. The respondent’s age were divided into 4 categories. The first was the category if respondents whose ages were from 20-34 years were (9%). The second category whose age group was from 35-44 years were (26%). The third category were from 45-54 years were (56%). The fourth category was 55 years and above was (9%). The highest age group in the sample was those with age between 45 and 54. This group represented 56 percent of the sample. This age group ranked the highest implying that TTCL hires its employees in batches. And many of the managers are the ones that have been working for the organization for over 15 years. This has been the hiring system of the organization since it beginning in 1936.

4.2.3 Education of respondents

Table 4.1 above shows the education level of the respondents who were the managers of the TTCL Company. Among the 32 respondents 37.5% of the respondents were first degree holders, 12.5% postgraduate degree holder Lastly was followed by master’s degree holders, which were 50% of the sample.

These findings shows that those who took part in this study were educated enough to perform corporate managerial duties and their views and opinions can be trusted.

4.2.4 Work Experience of the respondents

Table 4.1 shows the work experience of the respondents who are managers at the TTCL Company. The above findings express that 12.5% of the staff at TTCL Company (Headquarters) in Dar es Salaam have worked between 0-5 years, 18.8% of the
respondents worked between 6-9 years, 31.3% of the respondents worked between 10-19 years and last group consisted of 37.5% of respondents who worked for 20-29 years.

Again it shows that most of the employees entitled a senior post have worked in the organization for a longer period of time and with more experience. But as well the respondents of the remaining group who worked in less years most responded that have shifted from other branches of the company located from afar regions to the country.

4.3 Identify Innovations and New Ventures created in the organization

The first objective of this study was to identify the innovations and venture creations of the organization. To decide whether the company had innovations and new ventures created we looked into several parameters: new product, new production method, product improvement, new firm and new market. The table 4.2 below shows results of respondents on identifying them.

Table 4.2: Identified and Unidentified Innovations and New ventures

<table>
<thead>
<tr>
<th>Innovation/New venture</th>
<th>Frequency Identified</th>
<th>Frequency Not Identified</th>
<th>Percentage Identified</th>
<th>Percentage Not Identified</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Product</td>
<td>32</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product Improvement</td>
<td>32</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Production Method</td>
<td>32</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Firm</td>
<td>32</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>New Market</td>
<td>32</td>
<td>100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Field Data (2015)

4.3.1 New Product

The results from Table 4.2 showed on the new product section that 100% of the respondents identified the new products in the company between the year 2012 to 2014. Majority of the respondents identified:-

4.3.1.1. Data and internet services for mobile and fixed telephones.

The company’s customer were introduced to the use of Internet by introducing new Smart Android mobile phones that used CDMA technology which were able to access the internet, Fixed wireless Telephone users were then able to buy internet packages and connect to their computers through the data wire and lastly the introduction of ADSL Modems where land line users could use it to change the voice service fixed wire to internet services.
The result on the other hand had been successful and improved the business performance. The smart phones all run out of stock so the goal was achieved. There is still an attractive sell of the Fixed Wireless Telephone to new customers meaning that there is a good spread of word between customers as well as the ADSL Modems, sales are going up favorably.

4.3.2. Product Improvement

Findings at Table 4.2 show that all of the respondents agreed on identifying improvements on the company’s product. The improvements included:-

4.3.2.1. Introduction of IDSN-Integrated Digital Service Network

This was a system that enabled customers to buy the company services in the form of bundles or packages. Customers were able to buy vouchers that they could had both airtime, internet packages as well as messages. This benefited more the mobile users who had purchased the new smart phones as they were able to get total solutions on a regular mobile handset.

4.3.2.2. Integration of Internet packages

The company started introducing new and different internet packages to satisfy each customers need from office to home solutions. To which now they had “Basti”, “Banjuka” then “Bando na TTCL” packages and now “Nduki” Packages that customers can access unlimited internet in different megabits per second.

4.3.2.3. Payment through online mode

TTCL customers were introduced to new forms of payment and getting services. The company joined forces with Selcom Africa a company that owns “Max malipo” an online pay and buy system for its customers to be able to purchase airtime for their use. Also it joined with the so called “Sim Banking” where customers whose bank accounts were connected to their cell phones were able to buy the company’s airtime.

This method ease customer’s way of buying the company products this in turn increased its income and closeness to its customers.
4.3.2.4. Integration of Voice in Fiber

As the National fiber backbone is on its final stage of construction, TTCL to date is the only communication provider that its customers won’t only get internet service from the fiber but as well as voice service.

The results here have shown to be positive as from a recent research that the company did on brand audit to know the customers perception on the company efforts to improve its products and it has found to be positive. Adding to that, as the need of internet need arise customers have been cautious on whom to subscribe with lower cost and quality services and sales has improved among office users.

4.2.3. New Production Method

At Table 4.2 on the new production Method section shows that all of the respondents (100%) agreed on not identifying any new production method from the company between the periods 2012 to 2014. However there are recent improvements as the company is in a transition period from the use of CDMA to GSM which is to involve major changes in their production method as it’s said to affect most of its 7p’s product, price, promotion, place, people, procedure and process.

4.3.4. New firm

At Table 4.2 findings shows that all respondents (100%) said to have not identified any new firm created within the organization. However, the respondents were free to give the reason behind that saying reasons being poor technology, government control and restriction, poor strategizing, falling of market share and lack of capital.

4.3.5. New Market

At Table 4.2 findings show that, all respondents (100%) were not able to identify any of the new market. Among over 12million mobile phone users in the country, TTCL customers who use the CDMA technology are said to be almost 200,000 in number which is 0.02% of all users.

However, recent initiatives like concentrating more on data and internet service and soon introducing GSM leaving behind CDMA technology the company has created
distinctions of its customers/market as office, home and personal users. This is among of it has been its strategy in retaining back its customers.

4.4. Possibility of the company to be proactive and practice self renewal process

The second objective was to know whether TTCL Company has been proactive and practicing the self renewal process to improve its organization performance. To get answers to that we looked into the following dimensions:- strategic change, organizational change, risk taking, aggressiveness and boldness.

Table 4.3: Respondents perception on being proactive and self renewal process

<table>
<thead>
<tr>
<th>Self renewal and proactive traits</th>
<th>Individual perceptions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
</tr>
<tr>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Strategic Change</td>
<td>32</td>
</tr>
<tr>
<td>Organization Change</td>
<td>32</td>
</tr>
<tr>
<td>Risk Taking</td>
<td>32</td>
</tr>
<tr>
<td>Aggressiveness</td>
<td>32</td>
</tr>
<tr>
<td>Boldness</td>
<td>32</td>
</tr>
</tbody>
</table>

Source: Field Data (2015)

4.4.1. Strategic Change

Table 4.3 above shows that all of the respondents (100%) agreed to have notice strategic changes in its daily operations towards improving its performance. Strategy is a set of managerial decisions and actions that determine the long-run performance of a business/corporation (Holt, 1993). The strategy changes included:-

4.4.1.1. Growth strategy

The company has undertaken various initiatives to raise its market share and sales.

a) Hiring of new personnel

The company’s hiring policy is on a batch system, so most of its present employees are near the retiring age, so there has been continuous hiring of young and skillful personnel for the future wellbeing of the organization.

b) New Departments

The company has increased its departments by introducing a new one called Strategy Department for supervising on pilot and research studies for future plan
implementations. The other reason behind the introduction of this department is to reduce the trial and error projects and to cut wastage of funds.

c) Increased Participation in Exhibition

Home Expo exhibition in every late September to October in Dar es Salaam and Nane Nane exhibition in Morogoro have been the recent ones that the company had start participating with. This is said to increase its awareness to customers who are not aware of the company, reduce promotion costs, increase sales as well it helps to improve its creativity from customers reviews as it can now produce its goods and services to customers with specific needs.

d) Increased cooperation with producers

The company had join forces by signing contracts with HUAWEI ltd and ZTE Technologies to produce and service new smart Android mobile phones and modems. Also the company is performing various constructions in expanding their telephone services to new outlets like new regions so is opening their branches there and installation of equipments like new telephone towers. The company has been co-using Tritel’s Communication Company telephone’s tower which is now Airtel to reach further interior customers

4.4.1.2. Stability Strategy

The company so far is the only leading company that provides telecommunication service in the form CDMA technology unto this moment. Being the only one it has perform the following to stabilize its position in the particular area.

a) Categorize its customers in batches

The company has come up with a strategy that has differentiated their customers in three groups, Business, Home and Customers Solutions. Business solutions focus on improving needs of organizations like government agencies and non-governmental corporations, major and minor businesses, and institutes like banks, universities and hospitals. Home Solutions focus on household needs and customer solutions focus on Personal telecommunication needs. This strategy has been adopted not only to get closer to customers but as well to provide what is really needed by them.
b) **Introduction of Internet Solution Devices**

The company had introduced to its customers new CDMA smart mobile phones with Android that enabled their customers to enjoy more than voice but as well as internet services. Which to date has been a success as all of the smart phones are sold out. So is new Fixed Wireless Telephone, which with data cable the phone can give your computer access to the internet. Lastly is the ADSL Modem which is a device that changes the voice line to give customers internet. This has increased company sales in a very large amount as well gain new market share.

c) **Free Offers and Affordable Prices**

Customers of the company enjoy free services like calling the customer service help desk, also the company provides no charge hours for calls between TTCL and TTCL users at night, more airtime is provided with their 500/= Tshs voucher compared to other service providers.

d) **Online Mode of Payment**

In order to stabilize its market, the company’s customer can now buy vouchers and airtime without the hustle of going to a physical location like their shops. This has been introduced through sim banking and max malipo as explained above at 4.2.2.

4.4.1.3. **Retrenchment Strategy**

The organization has taken multiple measures on ensuring that the organization goal is achieved efficiently and effectively. So, under this strategy the following has been done.

a) **Joining of Departments**

Before, the company had a separate Sales department and marketing department which are now combined together to be called Sales and Marketing Department. Also Network development department was joined with maintenance operations department to be one department. This reduced costs of operations as the cost of two departments where of one and matters like economies of scale were achieved.
4.4.2. Organizational Change

Table 4.3 above shows that all of the respondents (100%) agreed to have experience some organizational changes towards improving its performance. This however had impact on to the following:-

4.4.2.1. Product Value

This business concept was used to determine what the product had to offer at a certain cost. The aim here was to ascertain what difference the customer benefit from its product other than its rivals. And from factors like price competition, distribution, promotion and Technology the following improvements have been made.

a) Offer cheap products.

The company has taken initiatives to offer as relative cheap mobile phones as possible and with high quality. The mobile handsets range from the price of 15,000/= Tshs, this has to a large extent attract low income mobile users to purchase their mobile phones and use the CDMA network. Furthermore, Huawei Technologies ltd and zte company all of Asia has been producing for the company fixed wireless telephone that uses the company sim card at a relative lower price of 45,000/= Tshs compared to other sellers whose price ranges around 75,000/= tshs to a 100,000/= Tshs. Lastly is their ADSL modems that they sell for 55,000/= thousand while most market price range above 100,000/= Tshs to 150,000/= Tshs.

This on the brighter side has improved the company’s performance in a larger dimension as most of their stocks are sold out showing a trend to the increase of its market share.

b) Combined Solution

The company’s ADSL modems have bigger benefits as the customer can get four ports for connecting a wire to desktop computer that does not support as well as the modem supports wireless system so users of laptops and smart phones that have the ability to capture wireless network can enjoy internet services.
c) Offer of Speed limit than Data limit

Unlike many rivals in the telecommunication Industry that provide their customers with limited packages like 1 gigabit in a week or so, TTCL product value is bigger compared to them as it offers unlimited internet packages in a limited speed. The difference here is that, the company’s customer can access and download as much material as they want in a specified period of time but at a certain speed mostly ranges from 512 kilobits per second which is quit fair enough. This has drawn much attention to customers like business ventures and institutions like universities and have to a large extent increased the organization sales and increase its market share.

4.4.2.2. Target Market

On this concept, respondents were asked if changes on the target market had improved the organization performance. Target market is the section of the market that the company has chosen to serve and reap benefits from. The company’s Target has been all telephone fixed and mobile users which in the country there are about 12 million.

The company has not changed its target market. What it has done to classify them into three groups, business, home and personal users. This has benefit the company as it was able to even come with solutions like the ADSL modems, evdo modems, mobile and fixed handset to name a few.

4.4.2.3. Distribution

The study revealed that in the year 2012 to 2013 the distribution system of the company’s product was weak. The company’s outlet where few and with the few customers it had few agents to sell their products. This discouraged many users to continue using their products like mobile phones. Also, the issue of lack of capital and debt and unpaid dues has made the maintenance of fixed lines at a very poor rate reducing more and more number of fixed line users. The following however have improved such problems.

a) Online solutions

The company has increased its efforts through online payment system. As explained before/above the sim banking and through payment agent as max malipo has benefit
customers in a very big way. Also, customer call centre have ease and fasten resolve customer needs. Finally, customers who use internet services when the time is out they can directly purchase the internet packages through an online system in the internet after linking up with the phone online payment.

b) Increase in number of branches

There have been opening of new branches like the one at Quality centre Shopping mall at pugu road, relocation of branches say the mbezi beach from sam store building to shamo tower. So is purchasing of areas to new regions such as manyara to build their offices there.

4.4.3. Risk Taking

Table 4.3 above shows that all of the respondents (100%) agreed to have notice some risk taking movements towards improving its performance. As the company is on a transition period, various tests and studies have been to check viability of the next move. These minor twists were said to help shape the organization to face and compete with other rivals using GSM network more effectively. This risk or experiments included the following:-

4.4.3.1. Introduction of Smart phones

The company has taken several shifts to improve its overall business performance. To compete in the market needs and environment in general, in 2013 the company had introduce its first smart mobile phones. With ZTE company alliance, TTCL introduced the ZTE v6700 touch screen mobile that used CDMA network mode with camera of 3.1 megapixel, random access memory of 512 along with its accessories like headphones and charger. This handset was sold for 170,000/= Tanzania shillings. Such move was its first as it was trying to penetrate to smart mobile phone users.

The company’s move has to day benefit the company into generating it millions of money as it has the stock finished. This means, sales target has been reached. But, the production went into a halt as it’s about to shift to GSM network leaving CDMA. The shift is to benefit the company in getting economies of scale advantages as it won’t get a need to produce its own mobile phones but let its users use the ones that the market has to offer which are many.
4.4.3.2. Customer Satisfaction surveys

Also, conducting a customer satisfaction surveys this has made the company open and flexible to new ideas on how to cater for the customers demand. The survey also involved our staff going to various outlets around the city and regions where TTCL is located like shops to study trends like sales and frequency of customers asking for the company’s products. Also this survey was done through records from customer service call centre from customers repeating complaints.

4.4.3.3. Research on Brand Audit and Media

This was a research done to know the customers perception on the company’s product. As we all know researches are expensive as it involves some cut down of cost from different organization functions to support it. The result of this research to name a few had the following recommendations.

To not change the company’s logo or color of the company and to still leave the CDMA operating system function just after the introduction of GSM network. To give away free mobile phones that uses GSM to existing users of mobile phones of CDMA. As well as to establish new departments like the strategy one and hire new personnel for purpose like direct marketing to customers.

On the Media Side, the results are still on progress.

4.4.3.4. Deployment of new Billing system

The company also has deployed a new billing system where now customers could be informed of their bills and pay them without physically being at their premises. 24 respondents (75%) out of 32 agreed that experiments had improved the organization performance.

4.4.4. Aggressiveness

Table 4.3 above shows that all of the respondents (100%) agreed to have seen the organization making aggressive measures towards improving its performance. These measures includes administrative, financial, strategic and marketing.
4.4.4.1. Administrative measures

The company has taken some of its staff to training. This includes it giving a 100% payment on everything while at the period of training. This move is said to have furnish their employees skills and to be more competent.

4.4.4.2. Financial Measures

In the past there had been problems of wrong payment to retire’s and to employees who quit. Now the company's payment policy has to pass through various units to get approval to avoid such mistakes. Also on the issue of contractual works, the company’s inspecting officers are the ones that start to approve matters like finished works to pave payment process. And lastly is the new billing system that can automatically identified paid and unpaid bills.

The company has also start using their assets to benefit itself financially. This includes lending of the kijitonyama branch building to Airtel Company. Renting of its space to events like Nyama choma at the same place kijitonyama.

4.4.4.3. Strategic Measures

The organization has continuously been on the lookout on how to provide for its customers. Measures here include continuous reformation of their products that are in form of packages, introduction of easier ways for payment method, strategic alliance and outsourcing and innovations.

4.3.4.5. Marketing Measures

The company has been setting aside funds for promotions through various media. On 2013 the company used Clouds fm radio at the Jahazi program starting at 4 to 7 pm. An increase in the participation of exhibitions like of trade, agriculture or home.

Also, the company used banners and posters around the country to advertise say its new internet bundles.

4.4.5. Boldness

This part wanted to check if the company has been courage or brave in ensuring that it improve its performance. At Table 4.3 all respondents agreed that the company has
showed boldness. The initiatives here includes the major decision of wanting to change their form of network from CDMA to GSM and doing initiatives as found on the innovations and strategy and operational change, risk taking and aggressiveness

4.5. Remedial actions to promote effectiveness of corporate entrepreneurship at TTCL

This is the last objective whereby the study aimed at suggesting on the possible remedial actions that can be taken to promote effectiveness of corporate entrepreneurship to improve the organization performance. The results of responses for this objective were as follows:

Table 4.4: Remedial actions to promote effectiveness of corporate entrepreneurship at TTCL

<table>
<thead>
<tr>
<th>Remedial actions</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review of management style</td>
<td>9</td>
<td>28%</td>
</tr>
<tr>
<td>Increased Cooperation</td>
<td>4</td>
<td>13%</td>
</tr>
<tr>
<td>Change to an Modern Technology</td>
<td>13</td>
<td>41%</td>
</tr>
<tr>
<td>Feasibility study</td>
<td>3</td>
<td>9%</td>
</tr>
<tr>
<td>Training on Corporate Entrepreneurship</td>
<td>3</td>
<td>9%</td>
</tr>
</tbody>
</table>

Source: Field Data (2015)

4.5.1. Review of management style

As indicated in Table 4.4 above, Review of the Management style and activities of the TTCL Company ranked 28% as a large number of respondents who took part in this study.

It indicates that among the major challenges was the restrictive traditional style management (autoocratic) especially on the activities relating to the implementation of reaping opportunities presented. The traditional management is usually hierarchical in nature with established procedures, reporting systems, lines of authority and responsibility, instructions, mandates, standardized hours, and control mechanisms.
This implies that restrictive management should be avoided by promoting creativity and innovativeness, ambitious, aggressiveness, enthusiastic, and resilient than their managerial counterparts. The government which owns a huge percent of the organization shares should reduce managerial restriction to the managers of the organization so as they cannot act only on their managerial experience but as corporate entrepreneurs. To achieve such changes calls for changes at each department within the Authority of the company to suit the transition aimed to be reached. Furthermore, effective attainment of a corporate entrepreneurship entity can only be actualized through the application entrepreneurial management (permissive) to the administration of TTCL Company. Good entrepreneurial management implies that the organization authority should be flexible, innovative, risk taker and responds quickly to opportunities and should be accountable to ensure they earn value and return on investors.

**4.5.2. Increased Cooperation**

Findings in the Table 4.4 shows that increased Cooperation ranked 13%; this implies inclusive and a participatory approach in which each group and stakeholder has adequate representation. Through increased cooperation, stakeholders both internal and external can be provided with the platform which allows them to use their talents to the fullest to improve the organization performance. Increased cooperation seeks to promote growth with equity; hence participatory planning and decision-making are the strategic means for realizing the vision. This is said to improve factors like benchmarking whereby companies are to work to inspire one another and move up along together, also this method increases sustainability in all dimensions of the company. Also under this factor the government may see benefits that the company could bring economic wise this would increase the availability of funds and reduce factors like corruption and fund embezzlement because of high supervision.

Increased corporation may also bring about small innovative ideas that can be funded adding up to major innovation. Improved cooperation also increases efficiency in the delivery of services and in promoting the use of the company’s product; transparency and accountability of decision makers and all.
4.5.3. Change of technology

According to findings at Table 4.4 change of technology ranked 41% of the respondents who took part in this study; Not only is the deficiency of funds restricts restricting for higher performance but as well the primitive technology makes the company lag behind other rivals in the telecommunication industry. As a government authority this signifies that it has not been able to fund the company for the technological change. It is said, it requires a total of 15 million US dollars to change from using CDMA to GSM Network. A comprehensive survey of customers has been done, showing the realities of today should serve them with up-to date technology system making them to go for other rivals as they provide faster and cheaper communication solutions. Priority should also be given to the expansion of data storage devices as well like, server rooms even to abroad countries for the organization facilities. The server rooms contain information about the various customers’ claimants that are to be used to study trends and come up with solution for customer’s problems. This method effectively assists to review the corporate entrepreneurship management.

4.5.4. Feasibility study

According to findings at Table 4.4 feasibility study ranked 9% during the administration of this study, respondents insisted and urged the organization has to adopt frequency of doing feasibility study, an assessment of the practicality of a proposed plan or method. The goal of this study is said to help to reduce failure or loss on initiating new projects and products. Also this study is said improve the implementation of the organization functions under the dynamic environmental considerations. But the study results have been poor since the organization can’t keep up with the continuous changes of environment, especially the quick reaction of competitors.

The Feasibility study is an administrative and management analytical and descriptive tool that was designed to test the viability basis of the projects before they are sent to the target market.
4.5.5. Training on Corporate Entrepreneurship

Findings in Table 4.4 indicates that among the key challenges in promoting the implementation of corporate Entrepreneurship at the organization was the shortage of skilled human resources associated with low level of skills and experience in being inside entrepreneurs. The organization actions are mostly controlled by the government whom restrict or find traits of inside entrepreneurs as resource wastage as it requires a lot of try and error as well as research which would cost much out of the organization. Training and hiring of employees with entrepreneurial trait ranked 9% from the points of view of the respondents who participated in this study.

The significance of training is proven by abundance of training programmes on corporate entrepreneurship both short and long term, organized both by various institutions inside or out of the organization. For mass improvement of professional skills of the company employees, at the headquarters and branches it is necessary to educate own teaching personnel, preliminarily carrying out necessary programmes on increasing qualifications. Expert support for corporate entrepreneurship introduction in many Tanzania institutions, in addition to already mentioned legal analysis, implementation of applied researches and professional monitoring.
CHAPTER FIVE

SUMMARY, CONCLUSION AND POLICY IMPLICATIONS

5.1 Introduction

In this chapter, the study has provided the summary of findings, conclusions and recommendations based on the objectives and the findings of the study on this study.

5.2 Summary of the Study

To accomplish this study the researcher had to review various literatures relating to corporate entrepreneurship especially based on the research objectives and questions that were set. A number of documents had been reviewed in order to support the factors that have been identified. All of the concepts, ideas, opinions and theories related to the research objectives were presented. From the findings of the study there are however only few projects/programmes implemented through corporate entrepreneurship at TTCL headquarters in Dar es Salaam.

The study found that the style of management used was of a traditional and it was not effective enough to support corporate entrepreneurship for higher organization performance at the TTCL Company, possibly in creativity, flexibility, independence and risk taking etc. Unlike entrepreneurial management the traditional one guiding principles are follow the instructions given; do not make any mistakes; do not fail; do not take initiative but wait for instructions; stay within your turf; and protect your backside this restrictive traits by the government limit managers to be entrepreneurs in the organization as it hold back things like being courageness, aggressive measures, creativity and innovative upon higher organization performance.

There is also lack of clear cooperation between other firms in the industry as the organization is considered weak technological wise so when it comes to issues such as benchmarking the company fails miserable in competing with other rivals. There is also lack of capital to introduce new technology.
The corporation has been running under debt and it claims also millions from the government from its unpaid bills, all this insufficient funds makes the introduction of new and advanced technology late as such projects needs many funds and involve long term contracts covering the life cycle of the infrastructural asset being created as it is necessary to manage this process to maximize returns to all shareholders. Also funding problems has restricted matters like creation of new ventures and innovations.

There was also a problem of poor results from feasibility studies that the organization conducted. The competitor’s response overlaps their plans due to poor capital and small market share. Also the problem has led to matters like weak strategy moves and organization changes. Also the results indicated that there was lack of appropriate training for employees to be entrepreneurs within the organization to improve performance. it was revealed that more 70% agreed that training aspect on how to be corporate entrepreneurs was missing. It is necessary to educate own teaching personnel, preliminarily carrying out necessary programmes on increasing qualifications in format (training for trainers). Expert support for the introduction of corporate entrepreneurship firms in the organization.

5.3 Conclusion

Communication is one among of the major factors in the growth of the economy. Most successful communication companies have been part of wider and broadly used GSM communication technology which most up-to-date mobile phone producers like Samsung, iphone and nokia use on their devices. The performance of CDMA communication technology has not been applied worldwide or say preferred to most mobile phone operators due to its few operating systems. Here in Tanzania where almost more than 10 million telephone users is only less than a million users of the CDMA technology which is only provided by TTCL Company. The GSM installation to the company has been a failure for the past five years due to various problems, major ones that included lack of skillful workers, government restrictions and insufficient capital, poor cooperation; surveying and allocations as well as minimal researches which on the result had drop its performance. On the other hand the management style has to some extent contributed to the poor performance.
The traditional management which traits include things like do not make any mistakes; do not fail; do not take initiative but wait for instructions; stay within your turf; and protect your backside has limit out performance in a more broad sense. Organizations that perform poorly needs to bring up new strategies that work for them. Without thinking out of the box, planning ahead and re-strategizing to mention a few the performance of organization is expected to keep dropping to worse.

Learning institutions and committees at country level have recently put more emphasis on entrepreneurial studies to reduce problems such as unemployment and business failures. Experts however not only do they see the knowledge of entrepreneurship important to infant companies but also to huge corporations. Well-functioning entrepreneurial technological firms promote economic and technological growth and help reduce the problems of failure as to them they learn through their previous mistakes and a failure is viewed as an opportunity to do better in the future while the traditional takes failure as a personal matter by correcting the individual than correcting the problem.

Corporate Entrepreneurship is considered to be a new management strategy which big companies practice in most industries that are competitive in nature. Poor performance makes investors to pressures managers to perform better which on the other hand makes them to figure out solution to solve the problem at an effective and efficient manner. That said, Individual or organization-based entrepreneurial action is a mechanism for business development of major economic importance. Being an entrepreneurial firm it requires adapting and recognizing entrepreneurial traits; innovation, creating new ventures, self renewal and proactiveness. By innovation means continuous changes to fit in the global transformation, new venture is creating new sources of income, self renewal by self healing and solving problems that comes as threat and proactiveness meaning constantly being active in responding to changes. That said the key to establish an entrepreneur friendly environment is to create an innovative working environment.

This requires institutional reform from a traditional to entrepreneurial firm, and to achieve that it requires commitment from the top managers to reduce the restrictive environment and encouraging people within the company to explore high-risk, high-
reward ideas but as well also to monitor their activities so that it aims to achieve organizational goals and not otherwise. Both internal and external stakeholders have a part to play in ensuring that environment is achieved as the organization is about to make technological transformations.

5.4 Recommendations

From the data available several observations have been made and the following recommendations are provided with a view of improving the situation:

5.4.1. Entrepreneurial climate

To establish a more entrepreneurial climate in the offices whereby everybody is willing to give their best in achieving the organization goal. By cutting down strictness and promoting innovativeness. Likewise it is recommended that top managers should be a corporate entrepreneur example to the working staff this will reduce the problem of poor performance individually.

5.4.2. New ventures or business

To establish new ventures or business that will be owned by the corporation acting as a source of income to reduce the problem of insufficient fund. Not only income, the company can retain both its image and create another one. This will expand their market and introduce new technology as well as product to their operations. This can be achieved by starting small, by creating teams within the organization that will bring about new ideas, to nourish them through the necessary stages for commercialization and often to continue as the management cadre in charge of the venture.

5.4.3. Increase Innovativeness

Innovation is changes; a corporate entrepreneur at most cases introduces innovation from either foreseeing a problem or to solve it. By doing this it reduces poor performance. This should be practiced in all departments and business units so as to bring about equal development.
Innovation contributes to the growth of organization as it introduces new products, products improvement as well as new production method of the result the company may be envisioned as the company that offers what customers need and not what it can do. By doing this innovation will contribute to major economic and technological growth of the company.

5.4.4. Continuous transformations

To continuously transform for the better. Self renewal process makes the organization more dynamic. Stagnant or static organization concepts do run out of time after a particular period of time. Management should also reconsider them since they are what guides actions of its people. There should be more short term strategies that can quickly easily achieved and each member should be informed and aware of them. Not only that but they should be linked to one another from each department role to achieve the whole organization role. Especially now as the company is about to introduce new technology there has to be strict and well known organization concept so that things may not go out of hands.

5.4.5. Develop proactive habits

Unlike many other communication providers, respondents agreed that they haven’t been much of proactive to the outside but more in the inside due to their poor technology and weak financial position. Although there have been quit many trials for the external environment but the results are poor. This to many chances can seem to discourage such habits but the best it can do is to be proactive on the inside not to tolerate failure and quickly resolve problems, be the quick to formulate and initiate solution and constantly trying the possibilities of new ideas. The upcoming technological change may require the organization to be aggressive, risk takers, courage and brave since they will join other competing rivals or competitors in the market.

5.4.6. Enhance its human resource

To hire new staff and train its existing ones to become corporate entrepreneurs within the organization than going to be entrepreneurs within the organization. Employees with corporate entrepreneurial roles have both managerial and entrepreneurial skills that are
said to create a culture that adapts and survive from the external changes and that increases internal integration contributes a great deal to the achievement.

5.5 Proposition for further studies.

This study aimed to understand the existing relationship between Corporate Entrepreneurship and business organization performance in Tanzania Telecommunication Industry the case of TTCL Headquarters. The relationship in this study was established in a more descriptive way, therefore further researchers who will opt for a similar study should adopt an econometric model to establish the relationship by using T-Test. In addition to that, other researchers may also opt for other variables which were not used in this study like finance in the organization performance variables.
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