An assessment of entrepreneurial orientation in corporate training divisions of selected South African banks

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Innovation through diversity ™

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ABSTRACT

The instability within the financial services sector is not a new phenomenon, and this has been exacerbated by the global financial crisis. There is a requirement of banks to stay at the forefront of change and innovation, due to the fact that technological advancements and heightened competition are changing the face of banking as we know it.

The requirement of corporate training divisions to be innovative is also apparent in the literature. Corporate training divisions within the banking industry operate against the backdrop of a severe skills shortage within South Africa. Furthermore, the necessity of corporate training divisions to be able to show a return on investment for money spent on training is evident.

Hence, there is a requirement of both the banking industry as well as corporate training divisions to function entrepreneurially. A relationship is evident in the literature between the performance of organisations, which is seen as a multidimensional construct and entrepreneurial orientation. The primary objective of this research study was to investigate the impact of entrepreneurial orientation on the perceived success of corporate training divisions within selected South African banks. The dimensions of entrepreneurial orientation assessed included *Innovativeness*; *Competitive Aggressiveness*; *Autonomy*; *Risk-Taking* and *Proactiveness*. The study also identified the success factors of corporate training organisations and correlated these factors with the dimensions of entrepreneurial orientation. Secondary objectives were also formulated to support the attainment of the primary objective. Fourteen South African banks' corporate training divisions were selected to participate in the research study.

A comprehensive literature study was followed by an empirical study. An existing questionnaire was adapted to assess entrepreneurial orientation, and a questionnaire was designed based on the literature study to assess the perceived success factors within the selected corporate training divisions. The survey was housed on the internet in electronic format. Factor analysis was applied to assess

the discriminant validity of the items measuring entrepreneurial orientation and success factors. Furthermore, Kaiser's criterion was used to determine the number of factors to be extracted and the Cronbach alpha coefficients were calculated to assess the internal consistency of the items measuring the various factors under investigation. Regression analysis was used to determine relationships between the entrepreneurial constructs and the success factors as identified in the study. Furthermore, hypotheses were formulated and tested regarding the correlations between the entrepreneurial dimensions and the success factors within corporate training organisations. Relationships between some demographic factors and the constructs under investigation were also analysed.

After a detailed analysis of the data, it was concluded that positive relationships do exist between some constructs of entrepreneurial orientation and some constructs of success factors of corporate training organisations. One negative relationship was evident. Positive relationships were also observed between some demographic factors and the constructs investigated.

Consequently, *Competitive Aggressiveness* demonstrated a positive influence on *Learner Reaction2; Learning*; *Learner Behaviour; Business Results*; *Return on Investment*; *Supportive Learning Environment; Concrete Learning Processes* and *Leadership Reinforces Learning* within corporate training divisions. Furthermore, the results of the multiple regression analysis also indicated that respondents within the selected banks view that *Innovativeness* has a positive influence on *Supportive Learning Environment; Concrete Learning Processes* and *Leadership Reinforces Learning.* A negative relationship was indicated between *Innovativeness* and *Learner Behaviour.* In addition, the results of the multiple regression analysis disclosed that respondents within the selected banks perceive that *Autonomy* has a positive influence on *Learner Behaviour; Supportive Learning Environment* and *Leadership Reinforces Learning.* Moreover, the results of the multiple regression analysis disclosed that respondents within the selected banks perceive that *Risk-Taking* has a positive influence on *Learning; Business Results;* and *Return on Investment.*

Also, a statistically significant difference in terms of the mean values in which respondents of 39 years and younger and respondents of 40 years and older perceived six variables, namely *Competitive Aggressiveness; Learning; Learner Behaviour; Business Results*; *Return on Investment* and *Supportive Learning Environment* were indicated. Practical statistical significances which yielded medium effect sizes for *Learner Behaviour* and *Return on Investment* were noted. No statistical significant differences were observed in the mean values of males and females. A statistically significant difference in terms of the mean values in which respondents with a highest qualification being a diploma or lower, and respondents with a highest qualification being a degree or higher perceive *Learning*; *Learner Behaviour*; *Return on Investment* and *Concrete Learning Processes* were reflected. However, no practical statistical significances were noted.

Based on the findings of the empirical study recommendations were made to cultivate and foster entrepreneurial orientation within corporate training organisations within the banking industry.

Key words: Entrepreneurial orientation; corporate training divisions; banking industry; factor analysis; regression analysis.

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LIST OF ACRONYMS

CE – Corporate Entrepreneurship

CEAI – Corporate Entrepreneurship Assessment Instrument

CEO – Chief Executive Officer

EO – Entrepreneurial Orientation

R&D – Research and development

URL – Uniform Resource Locator

LIST OF ABBREVIATIONS

ASTD – American Society for Training and Development

Bankseta – Bank Sector for Education and Training Authority

HR – Human resources

HRD – Human resources development

SA – South Africa

US – United States

CHAPTER 1

NATURE AND SCOPE OF THE STUDY

1.1 INTRODUCTION

Intrapreneurship (also known as corporate entrepreneurship) is seen as a critical component to organisational success, especially in organisations that operate in rapidly changing industries (Eesley & Longenecker, 2006: 19). Established organisations may essentially be forced to behave entrepreneurially within the organisation, in order to defend their position in the market (Hass, 2011: 64).

Corporate entrepreneurship can be a solution to large organisations' staleness, lack of innovation, stagnated top-line growth and the inaction that often overtakes the large, mature organisations of the world (Thornberry, 2001: 526). The main reason for initiating corporate entrepreneurship is that senior management expects corporate entrepreneurship efforts to improve the organisation's financial position (Bhardwaj, Agrawal & Momaya, 2007: 57).

Competitive successes for organisations require of managers to make strategic choices about the key building blocks of its strategy that differ from the choices made by competitors (Thompson, Peteraf, Gamble & Strickland, 2012: 53). Strategy is about relating the organisation with its environment. Entrepreneurship is about exploiting opportunities in the same environment. Therefore, there is a linking of the thinking aspects of the concepts strategy and entrepreneurship (Dhliwayo & Van Vuuren, 2007: 131). Strategic entrepreneurship approaches have as their shared aim the pursuit of an organisation's competitive advantage (Kuratko, 2007: 6).

Organisations must have the capacity to innovate faster than its best competitors to be successful. This capacity is about identifying new ways of doing business, developing new technologies and products and entering new markets in new organisational forms (Teng, 2007: 119). The role that innovation and intrapreneurship play in an organisation is very similar. They both keep

organisations active and growing (Manimala, Jose & Thomas, 2006: 50). The relentless pressures of competition stemming from for instance globalisation and technological changes today are increasingly hampering organisations (Seshadri & Tripathy, 2006: 17). One of the pathways for organisations to weather these storms is to unleash the entrepreneurial spirit hidden or suppressed in employees. Therefore, intrapreneurship is a major driver for organisations' renewal or reinvention (Seshadri & Tripathy, 2006: 17).

Miller (1983: 771) provided an early definition of entrepreneurial orientation. It was stated that an entrepreneurial organisation, being entrepreneurially orientated is one that engages in product market innovation, undertakes somewhat risky ventures and is first to come up with proactive innovations, beating competitors to the punch. Covin and Lumpkin (2011: 857) stated that an entrepreneurial orientation may be understood as a usually general or lasting direction of thought, inclination or interest pertaining to entrepreneurship. A firm that is willing to pursue opportunities, initiate actions rather than react to the actions of others and emphasise new and innovative products and services can be described as an entrepreneurial organisation (Van Aardt, 2008: 14).

Covin and Lumpkin (2011: 857) further advised that it is an organisation's actions that make it entrepreneurial and that behaviour may be seen as the central and essential element in the entrepreneurial process. Elements referring to an organisation's character may be associated with entrepreneurial orientation, but it does not define it. Furthermore it must also be noted that the most commonly employed entrepreneurial orientation measure, what has become known as the Miller/Covin and Slevin scale, incorporates both constructs of behaviours and character (Covin & Lumpkin, 2011: 858).

In South Africa, large organisations contribute approximately two-thirds of the gross national product and many of the top listed organisations have the necessary competitive advantage to compete internationally (Van Aardt, 2008: 12). In doing so, they earn valuable income for the country. Furthermore, entrepreneurial organisations practice entrepreneurial skills and approaches

within the company in order to ensure continuous organisational innovation. Therefore, intrapreneurship or corporate entrepreneurship is seen as a critical requirement for organisations to keep its competitive advantage and ultimately survive in the rapidly changing corporate environment.

In this chapter the need for further research measuring entrepreneurial orientation particularly in corporate training divisions within the banking industry will be highlighted. Primary and secondary objectives of the study will be formulated. The scope of the study with specific reference to the field of study, geographical demarcation and the organisations under investigation will be covered. The research methodology will be discussed, namely the literature review, empirical review, research design, research instrument design, study population, gathering of the data and statistical analysis. The limitations to the study will also be stipulated. Lastly the layout of the study will be discussed with specific reference to the chapter division and layout.

1.2 PROBLEM STATEMENT

The South African banking industry's growth projections are slow but stable. Although there are reasons to be optimistic over a multi-year time horizon, the domestic macroeconomic environment is not particularly encouraging at present (Anon., 2012a: 1). Therefore, competition in the banking industry is heightened, coupled with a requirement to be more innovative and entrepreneurial. Competition on market share within the banking industry is rife, especially among the four leading banks: Absa bank; Standard bank; Nedbank and First National bank (FNB) (Kamhunga, 2011: 14).

Innovation is seen as a primary weapon in banks' arsenal to increase and retain market share. "Innovation will separate the winners from the losers" ABSA deputy CEO Louis von Zeunder says of banks' attempts to be first to market with a selection of innovative products (Kamhunga, 2011: 14). Michael Jordaan, FNB CEO says that technology is changing the way the world operates, and banks have to adapt. "The role of innovation for us as a bank is that we need to adapt to

the constant changes in our environment to remain relevant in the game of technology, which has changed the way the world operates and how people respond to things" he says (Kamhunga, 2011: 14). Therefore, the need for innovation and entrepreneurship within the banking industry has reached heightened proportions.

The banking industry is placed under further pressure following the credit ratings agency, Moody's Investors Service, who downgraded by one notch the senior debt and deposit ratings of five SA banks, namely the Standard bank group; Absa bank; FirstRand; Nedbank and Investec (Anon., 2012b). Further tension in the banking industry is created by the Standard bank group who lodged a complaint with the Advertising Standards Authority against FNB for misleading advertising (Anon., 2012c). This is in response to advertisements by FNB in which it claims to be the only bank offering free online, cell phone and telephone banking (Anon., 2012c). Consequently it is evident that the volatile environment and battle for market share among SA banks continues.

Innovation is seen as a key requirement for banks. Trade finance innovation has been seen as essential for the competitiveness of commercial banks (Yuan, Tan & Li, 2008: 40). However, this also brings about risks from three aspects, namely market innovation, institutional innovation and portfolio innovation that needs to be managed effectively. According to Young (2012: 1), banks play an important part in the world economy, which became clear during the recent global financial crisis where a number of banks were liquidated. These typical losses can happen again if banks cease to perform their central role in the economy, and it is therefore imperative that banks maintain their future growth but at the same time ensure a sound risk management approach (Young, 2012: 1).

Furthermore, innovation is also a key requirement within corporate training divisions. To an unprecedented degree, this is the era of educational entrepreneurship (Hess, 2007: 21). Human resource development departments, including the training divisions, need to take heed that an entrepreneurial era is moved into (Sussman & Kuzmits, 1986: 42) and the need for human resource

departments to operate entrepreneurially is increasing. Educational entrepreneurship is defined as a process of purposeful innovation aimed at improving productivity or quality within education (Hess, 2007: 21).

Human resource initiatives associated with recruitment, selection and training programs are designed to ensure that employees possess the characteristics required for effective organisational performance (Morris & Jones, 1993: 876). One would expect to observe differences in human resource practices associated with differences in the level of entrepreneurship observed across organisations (Morris & Jones, 1993: 877).

A study performed by Morris and Jones (1993: 890) provided evidence that the overall orientation of human resources management policies, which includes training, has an impact on the level of entrepreneurship demonstrated within an organisation. The construct training, it appears, should include some group characteristics and should not only focus on the individual level to positively impact the level of entrepreneurship. Research performed by Wolff and Pett (2007: 6) provide evidence to support the argument that entrepreneurial orientation serves to amplify or focus the effects of learning and knowledge accumulation, which in turn yields higher levels of business growth.

Research has proven that when training covers a large proportion of the workforce, it also appears to have beneficial effects on the financial performance of the organisation as well as productivity (Jones, Jones, Latreille & Sloane, 2008: 26). Pineda (2010: 673) highlighted the fact that training is also seen as a key strategy for human resources development in supporting organisations to achieve their business objectives.

The relationship between entrepreneurial orientation and performance has been proven in research (Sharma & Dave, 2011: 50). An entrepreneurial orientation refers to the processes, practices and decision-making activities that lead to new entry. New entry can be accomplished by entering new or established markets with new or existing goods or services (Lumpkin & Dess, 1996: 136). Huang,

Wang, Chen and Yien (2011: 3051) concur with this view and added that organisations with high levels of entrepreneurial orientation tend to scan and monitor their operating environment constantly to find new opportunities and to increase competitive advantage. Research has shown a positive linkage of entrepreneurial orientation and performance for established organisations (Su, Xie & Li, 2011: 573). Furthermore, research performed by Zhao, Li, Lee and Chen (2011: 310) found that entrepreneurial orientation was positively related to experimental learning.

Therefore, the importance of entrepreneurship within training divisions is clear, providing positive impact on business performance and experimental learning. However, not enough research has been performed on assessing the entrepreneurial orientation within corporate training divisions and in particular in the banking industry. This study aims to add to the body of knowledge in this regard.

1.3 OBJECTIVES OF THE STUDY

The objectives of this study are divided into primary and secondary objectives.

1.3.1 Primary objective

The primary objective of this study is to investigate the impact of entrepreneurial orientation on the perceived success of corporate training divisions within selected South African banks.

1.3.2 Secondary objectives

In order to achieve the primary objective, the following secondary objectives are formulated:

- To define entrepreneurship as well as intrapreneurship by means of a literature review.

- To define entrepreneurial orientation and identify and comprehend the constructs measuring entrepreneurial orientation by means of a literature review.
- To identify the success factors of corporate training divisions by means of a literature review.
- To obtain insight into the current state of the banking industry and corporate training environments by means of a literature review.
- To review entrepreneurial orientation assessed within the banking industry and corporate training divisions by means of a literature review.
- To assess the entrepreneurial orientation and perceived success factors currently prevalent in corporate training divisions within selected South African banks.
- To investigate the relationship between entrepreneurial orientation and the perceived success of corporate training divisions within selected South African banks.
- To investigate the relationship between selected demographic factors and the constructs of entrepreneurial orientation and perceived success factors of corporate training divisions within selected South African banks.
- To use the results of the empirical research to draw conclusions and make recommendations.

1.4 SCOPE OF THE STUDY

1.4.1 Field of the study

The field of this study falls within the subject discipline of entrepreneurship with specific reference to assessing the entrepreneurial orientation of employees in corporate training divisions within selected South African banks.

1.4.2 The geographical demarcation

The study will be conducted within corporate training divisions of selected banks in South Africa, namely Absa bank; First National bank; Nedbank; Standard bank;

African bank; BankservAfrica; Bidvest; Capitec; Development bank of South Africa; Investec; Land bank; Mercantile; Sasfin and the South African Reserve bank.

1.4.3 The organisations under investigation

The South African banks selected for the research includes the large five banks in South Africa, namely Absa bank; First National bank; Nedbank; Standard bank and African bank (Rootman, Tait & Sharp, 2011: 186). The four leading banks (Absa; First National bank; Nedbank and Standard bank) together control 84% of South Africa's banking market as measured by the sector assets (South African Reserve bank, 2008: 55). The other banks selected for this research include BankservAfrica; Bidvest; Capitec; Development bank of South Africa; Investec; Land bank; Mercantile; Sasfin and the South African Reserve bank.

The Bankseta provided the names and e-mail addresses of the skills development facilitators at these banks, who in turn provided the following approximate details (via phone or e-mail) with regards to the target population of the employees within the corporate training divisions of the banks as part of the research.

Table 1.1: Corporate training divisions and target populations

Corporate training division	Target population in corporate training division
Leading four banks	
Absa bank	262
First National bank	200
Nedbank	140
Standard bank	256
Other banks	
African bank	30
BankservAfrica	3
Bidvest	7
Capitec	102
Development bank of South Africa	6
Investec	15
Land bank	3
Mercantile bank	3
Sasfin bank	3
South African Reserve bank	45
Total size of target population	**1075**

1.5 RESEARCH METHODOLOGY

The study includes a literature review as well as an empirical study.

1.5.1 Literature review

The literature review will be conducted by referring to various journal articles, website articles, theses, dissertations, websites and text books.

The following topics will be researched:

- The concepts of entrepreneurship and intrapreneurship.
- The concept entrepreneurial orientation.

- Measuring instruments available to assess entrepreneurial orientation.
- The banking industry and corporate training environment within the financial services industry.
- Investigating entrepreneurial orientation assessed within banks and corporate training divisions.
- Defining success for corporate training organisations.

1.5.2 Empirical review

Empirical research is defined as research based on observed and measured phenomena (Norfolk State University, 2010). According to Welman, Kruger and Mitchell (2010: 6), quantitative research methods are limited to that which may be observed and measured objectively, that which exists independently of the feelings and opinions of individuals. It reports research based on actual observations or experiments, and it may generate numerical data between two or more variables. Research that is empirical is replicable so that it is collected and analysed in a systematic way so that others could repeat the research and achieve similar results (Driscoll, 2009: 195).

Driscoll (2009: 195) further purports that it is aggregable, in the sense that is done through the collection of multiple pieces of data and that it builds upon past collections of data. Empirical research is data-supported, meaning that conclusions that are drawn from the research are based on the data that has been collected in a systematic way. Empirical research can be qualitative, quantitative, or both, and can be conducted with a wide variety of methods such as case studies, surveys, experimental and quasi-experimental, designs, ethnography, interviews, content analyses, oral histories and meta-analyses.

Oosthuizen (2006: 190) refers to the empirical review as simply that which may be observed or measured. Empirical research attempts to consolidate the experiences of the practising world (Manimala *et al*., 2006: 58). Scudder and Hill (1998: 91) view empirical research as research that makes use of data that is derived from naturally occurring field-based observations that is taken from

industry. Therefore, the empirical review for purposes of this study is concerned with the collection and use of data. The empirical research process selected for this study includes research design, research instrument design, study population, gathering of data and statistical analysis.

1.5.3 Research design

The empirical research design selected for this study is quantitative research in the form of a structured questionnaire. Quantitative research is concerned primarily with data collection in numerical form (Harrison & Reilly, 2011: 11). A typical description of a quantitative study, suggests that the method used is deductive, and thus the conclusions follow necessarily from the premises (Bruce, 2007: 52).

1.5.4 Research instrument design

The empirical study will be done by using and adapting a questionnaire developed by Lotz and Van der Merwe (2013: 187) to measure entrepreneurial orientation within the corporate training divisions of selected South African banks. Lotz and Van der Merwe (2013: 187) designed a questionnaire founded on the entrepreneurial orientation items as identified by Lumpkin and Dess (2001: 442). The questionnaire measures five constructs regarding entrepreneurial orientation. This includes: autonomy; innovation; risk-taking; proactiveness and competitive aggressiveness. A section will be developed to measure the success factors within corporate training divisions. This section will be developed by referring to the training evaluation measures, as identified by Kirkpatrick (1996: 56) and Phillips (1996: 20). Constructs from a learning environment according to Garvin, Edmondson and Gino (2008: 109) are also included into the success factors of corporate training divisions.

The questionnaire consists of the following sections:

Section A measures the entrepreneurial orientation of employees within the corporate training division of the selected South African banks.

Section B measures the selected success factors within corporate training divisions.

Section C depicts data from respondents regarding their profiles and characteristics. The respondents' age, gender, race, highest academic qualification and grading within the organisation were gathered.

A five-point Likert scale was used, with responses ranging from strongly agree, agree, uncertain, disagree and strongly disagree (where the first radio button on the electronic assessment indicates the respondents strongly agree and the fifth radio button indicates that the respondents strongly disagree with the statement), which best describes their opinion about a specific question or statement. Rensis Likert invented the Likert scale in 1931, and the Likert scale is used to assess respondent attitudes (Carrasco, Leiva, Fernández & Cabanillas, 2012: 11536).

1.5.5 The study population

The study population consists of a total of 1075 employees working in the corporate training divisions within Absa bank; First National bank; Nedbank; Standard bank; African bank; BankservAfrica; Bidvest; Capitec; Development bank of South Africa; Investec; Land bank; Mercantile; Sasfin and the South African Reserve bank. Employee levels within the organisation range from general staff, junior management, middle management and senior management to executives.

1.5.6 Gathering of data

The research department of the Bankseta provided the names and e-mail addresses of the skills development facilitators within the banks. The skills development facilitators were all e-mailed and the intended research set out. Confidentiality of respondents were assured. It was also mentioned that the banks would not be compared to one another in the research conducted. The fact that the Bankseta supported the research was also mentioned in the e-mail, and the fact that research findings would be shared with the Bankseta and the Learning and Development Community of Practice, South Africa was specified. The skills development facilitators were asked to obtain agreement from their heads of learning that the research may be conducted. The questionnaire was included in the e-mail in word format. No objections to the research were received from any of the skills development facilitators.

A follow up e-mail was sent to the skills development facilitators, referring to the previous correspondence and including the link to the electronic survey to be completed by all employees in the corporate training divisions. Two URLs were used for the survey: one for the leading four banks, namely Absa bank; First National bank; Standard bank; Nedbank and another for all the other banks, namely African Bank; BankservAfrica; Bidvest; Capitec; Development bank of South Africa; Investec; Land bank; Mercantile; Sasfin and the South African Reserve bank.

The skills development facilitators distributed the e-mail to the employees within the training divisions of the banks. Initially eight working days were provided for the completion of the questionnaire (from 5-14 September 2012), but this was extended for another week (21 September 2012) and again for a further week (28 September 2012) with constant follow-up as to the completion rate of the questionnaires. Phone calls were also made to the skills development facilitators, so that respondents that did not complete the questionnaire could be asked to consider completing it. Finally the survey was extended for another 4 days (2 October 2012), to allow respondents more time to complete the survey. This

proved to be very difficult as not all skills development facilitators could be reached per telephone, and many follow up e-mails were sent. A network of colleagues within these banks was also used to supplement the initial mails, and separate mails were drafted to these colleagues to distribute the mail with the link to the questionnaire to fellow colleagues within the training departments of the banks under review.

The survey was also placed on LinkedIn as well as on the Learning and Development Community of Practice, South Africa website for completion by any employees within corporate training divisions within the banks under review as part of the survey.

The electronic medium that was used for the gathering of the data was Questionmark™ Perception™. The use of the electronic medium was to assist with the ease of distribution and collection of the data.

1.5.7 Statistical analysis

The frequency with regards to the biographical information of respondents (age group classification; gender; race group; grading within the organisation and highest academic qualification) were assessed. Factor analysis was used to determine the validity of the measuring instrument. This was followed by measuring the reliability of the data by determining the Cronbach alpha coefficients.

Multiple regression analysis was used to determine the relationship between the independent and dependant variables. The relationship between selected biographical data and the constructs measuring entrepreneurial orientation and success factors of corporate training organisations was also analysed. The analysis was performed by using Statistica (Statsoft, 2011) and SPSS (SPSS, 2011).

1.6 LIMITATIONS TO THE STUDY

This research study is aimed to add value to the body of knowledge in terms of increasing entrepreneurial orientation within corporate training divisions. The importance of entrepreneurial orientation among employees in corporate training divisions within South African banks is also highlighted during this research study.

The corporate training divisions selected for this research study include the major role-players within the South African banking industry, however care should be exercised in the interpretation of the results, and the findings should not be generalised to all corporate training divisions worldwide. Furthermore, the study was limited to individuals willing to complete the survey. Due to work and time pressures respondents were generally reluctant to participate in the survey and had to be prompted through their skills development facilitators to consider taking part in the survey. Additionally, the survey was also placed on LinkedIn and the Learning and Development Community of Practice, South Africa website for completion by only the proposed target audience; however there were no direct control that only the intended participants completed the survey. The same applies to the electronic internet access to the survey that could be completed by anyone that had access to the link.

1.7 LAYOUT OF THE STUDY

Chapter 1: Nature and scope of the study

Chapter 1 outlined the nature and scope of the study. The problem statement was formulated wherein the criticality of entrepreneurial orientation within corporate organisations was stated, with specific reference to the corporate training divisions within the banking sector. The primary and secondary objectives were stated, as well as the scope of the study, and the research methodology used. The limitations to the study were formulated and a chapter layout provided.

Chapter 2: Literature review on entrepreneurship, intrapreneurship and entrepreneurial orientation

Chapter 2 will cover a literature and theoretical review, focusing on definitions of entrepreneurship and corporate entrepreneurship (intrapreneurship). Entrepreneurial orientation will be defined as well as determining the variables affecting entrepreneurial orientation. The measuring instruments of entrepreneurial orientation will also be investigated.

Chapter 3: Literature review on corporate training divisions within the banking industry

Chapter 3 will investigate the banking industry and corporate training environment. The measurement of entrepreneurial orientation within the banking industry, as well as within corporate training divisions will be analysed. The success factors within corporate training divisions will be identified.

Chapter 4: Empirical research

Chapter 4 will contain the empirical research and will have as its aim assessing the entrepreneurial orientation within corporate training divisions of selected South African banks as well as the perceived success factors and relationship between entrepreneurial orientation and perceived success within the corporate training divisions. Chapter 4 will consist of two sections. Section 1 will cover the process of gathering the data through structured questionnaires. Section 2 will cover the response to the analysis of the statistics as emanated from the structured questionnaires and will discuss the results obtained.

Chapter 5: Conclusions and recommendations

Conclusions will be drawn in chapter 5, in terms of the prevalence and extent of entrepreneurial orientation among staff in the corporate training divisions of the selected banks in South Africa and the extent to which this may lead to perceived

success within the corporate training divisions. Recommendations will be made on how to increase the entrepreneurial orientation within corporate training divisions. The chapter will conclude with a review of the extent to which the research objectives have been met, and suggestions will be made for further research.

CHAPTER 2

OVERVIEW OF ENTREPRENEURSHIP, INTRAPRENEURSHIP AND ENTREPRENEURIAL ORIENTATION

2.1 INTRODUCTION

The majority of organisations across the globe are experiencing increasingly severe competition, placing pressure on profitable growth (Mohanty, 2006: 99). Research postulates that for organisations to grow and ultimately survive in dynamic business environments, organisations need to promote innovation within the organisation (Manimala *et al*., 2006: 49). Pechlaner and Bachinger (2010: 1737) concur with this view in that the increasingly faster waves of technological progress and increased competition necessitate innovation within organisations.

The innovation process from idea conception to development, implementation and integration into the existing business portfolio, is an organisational process which inevitably requires an intrapreneurial orientation among employees. An enabling culture and relevant systems are also required so that employees are motivated to take up intrapreneurial ventures (Manimala *et al.*, 2006: 49). Research has proven that employing innovative and intrapreneurial activities can successfully turn around an ailing organisation (Kamath, 2006: 117).

Lumpkin and Dess (1996: 135) advocate that for start-up businesses as well as within existing organisations, entrepreneurship spurs business expansion, technological progress as well as wealth creation. Entrepreneurial activity represents one of the major engines of economic growth and accounts for the majority of new business development and job creation in the United States of America (Lumpkin & Dess, 1996: 135). Farinós, Herrero and Latorre (2011: 326) state that for organisations to succeed today, it is compelled to find new ways of doing business, developing new technologies and products, entering new markets, and creating value through discovering and exploiting profitable business opportunities. Entrepreneurial activity is therefore an important requirement that enables business to succeed.

Shimei and Zhongming (2008: 16) highlight that in an era where globalisation and ever-increasing competition is evident; organisations have to find numerous ways of self-renewal to enhance flexibility and adaptability and to strive for new development. Self-renewal includes updating the organisation's strategies, extending the business scope and to innovate the product design or manufacturing techniques, as well as improving the management philosophy or corporate culture (Shimei & Zhongming, 2008: 16). Coakes, Smith and Alwis (2011: 30) further state that innovative behaviour has been attributable to determinants such as institutional arrangement, economic opportunities, technological capabilities, organisational learning capability as well as entrepreneurial behaviour. Therefore innovation includes entrepreneurial behaviour.

The need for corporate innovation has never been larger (Engel, 2011: 42). In the last decade many of the most successful organisations have failed to adapt and evolve and have been outmanoeuvred by new insurgents. The venture-capital funded ecosystem of young innovative start-ups offers important lessons for established organisations looking to revitalise their innovation processes (Engel, 2011: 42). Entrepreneurship within an organisation can reboot an organisation by recreating the inspiring environment of early-stage start-ups. Entrepreneurship within an organisation and open innovation can help re-ignite the spirit and passion of early stage organisations (Shabana, 2010: 33). Therefore, entrepreneurial behaviour within organisations is seen as a determinant that may lead to increased innovation, which is desperately needed in today's fast-paced business environment.

In this chapter the definition of entrepreneurship will be investigated and the characteristics of the entrepreneur will be defined. The terms intrapreneurship and corporate entrepreneurship will be analysed as well as the term entrepreneurial orientation. The constructs measuring entrepreneurial orientation will be presented as the independent variables and the perceived success factors of corporate training divisions, although only discussed in section 3.6 in chapter 3

will be presented as the dependant variables for the purposes of this study. A summary will serve as finale to this chapter.

2.2 DEFINITION OF ENTREPRENEURSHIP

In the Oxford English dictionary (2009: 477) the term “entrepreneurship” is defined as a person who sets up a business or businesses, taking on financial risks in the hope of profit. This definition is currently changing to reflect a desire for the continuity and long term commitment to the activity, rather than a single act to fulfil a need (Van Aardt, 2008: 11). Previously entrepreneurs were seen by the broad community as robbers who exploited workers for their own success or by their compatriots as captains of industry and leaders in developing the economy of a country (Van Aardt, 2008: 11). In reality entrepreneurs are those who, through hard work and long hours, generate business success. Entrepreneurs are considered today to be the heroes of the free enterprise since innovation and creativity have helped many to build large enterprises from small businesses (Van Aardt, 2008: 11).

The expression “entrepreneur” originates from the French word “entreprende” which is derived from the German “unternehmen”, both of which mean “to undertake” (Tan, Williams & Tan, 2005: 355). Antoncic and Hisrich (2003: 17) highlight that Cantillon (1973) first developed the term entrepreneur and defined this as a person who bears the risk of profit or loss. However, in the early 16th century, entrepreneurs were explorers employed by the French military. Tan *et al*. (2005: 355) advise that by 1700 entrepreneurs included paid builders of military bridges, harbours and fortifications where work included both a promise and an employment.

Therefore, the original entrepreneurs were those contracted to perform risky or dangerous work. Tan *et al.* (2005: 355) further note that French economists extended the term to include people who bore risk and uncertainty in order to make innovations. Throughout the years, many definitions have been coined to describe the term entrepreneurship. There is however not a unified consensus on

the definition of the term entrepreneurship (Berglann, Moen, Roed & Skogstrom, 2011: 180). Table 2.1 provides a depiction of some of the research historically done in the field of defining entrepreneurship. Take note that tables 2.2 and 2.3 below were adapted from Maes (2003) and include secondary references.

Table 2.1: Historical perspective of definitions on entrepreneurship

Source	Definition of Entrepreneurship
Miller (1983)	An organisation's actions relating to product-market and technological innovation.
Kanter (1985)	The creation of new combinations.
Gartner (1985, 1989)	Process of new venture creation; the process by which new organisations come into existence.
Schuler (1986)	Practice of creating or innovating new products or services within existing businesses or within newly formed businesses.
Jones and Butler (1992)	Process by which organisations identify opportunities and act creatively to organise transactions between factors of production in order to create value.
Krueger and Brazeal (1994)	Quest for an opportunity irrespective of the existence of resources.
Kouriloff (2000)	Process of creating a new venture.
Shane and Venkatraman (2000)	Detection, creation and utilisation of opportunities to bring into existence future goods and services.
Low (2001)	Creation of a new enterprise.
Kouriloff (2000)	Process of creating a new venture.

Source: Adapted from Maes (2003: 7)

The definitions in the table above are based on a behavioural approach to entrepreneurship, which in essence views entrepreneurship as a series of behaviours or actions undertaken to enable the creation of an entrepreneurial project (Maes, 2003: 11). Maes further identified multiple dimensions or various components of entrepreneurship that emanated from the various definitions formulated on entrepreneurship as per above table 2.1.

These include components such as:

- The individual.
- The process.
- The environment.
- The organisation.
- The project.
- The opportunity.

According to Stevenson and Jarillo (1990: 18), the plethora of studies on entrepreneurship can be divided into three main categories, namely what happens when an entrepreneur act, why an entrepreneur acts and how an entrepreneur acts. What makes the definition of Stevenson and Jarillo (1990: 19) unique is that a Schumpeterian (behavioural or outcomes-based) approach is followed, however the focus is that opportunities are pursued without regard to the resources that these individuals control. This definition is frequently used by scholars. It is thus not circumstantial but an innate behaviour of individuals that makes them entrepreneurial. The definition of Antoncic and Hisrich (2003: 8) correspond with the one by Stevenson and Jarillo and further state that entrepreneurship is the process of uncovering and developing an opportunity to create value through innovation and seizing that opportunity without regard to either resources or the location of the entrepreneur.

Zerbinati and Souitaris (2005: 61) elaborate on this definition to add that entrepreneurship is defined as the discovery and exploitation of rewarding opportunities (thus not only profit-making opportunities) without current control of the required resources. The difference from other researchers lies in the acceptance of other potential rewards of entrepreneurship, apart from profit, such as career advancement, political re-election and social recognition.

An operational definition of entrepreneurship is proposed by Sharma and Chrisman (1999: 17) in that entrepreneurship entails acts of organisational creation, renewal or innovation that occur within or outside an existing organisation. The creativeness, renewal or innovation as emphasised above are

shared by many others such as Naudé (2010: 34); Drucker (2009: 18) and Stevenson and Jarillo (1990: 23). Drucker (2009: 18) is of the opinion that innovation is a specific tool for entrepreneurs, the means by which entrepreneurs may exploit change as an opportunity for a different business or a different service. Innovation is capable of being learnt and capable of being practised. Entrepreneurs need to search purposefully for the sources of innovation and need to know and apply the principles of successful innovation (Drucker, 2009: 18).

McFadzean, O'Loughlin and Shaw (2005: 367) suggested that further examination of three variables namely entrepreneurial attitudes, vision and actions are required as it pertains to innovation. Naudé (2010: 34) added the elements of resource coordination and new business creation to innovation as part of the definition of entrepreneurship. Stevenson and Jarillo (1990: 23) concur with the link between the need for innovation and entrepreneurship. McFadzean *et al*. (2005: 353) illustrate however, that without some form of entrepreneurial activity to exploit opportunities as they arise within organisations, innovation remains little more than an aspiration rather than a tangible destination.

The Schumpeterian outcomes-based concept is action-orientated and postulates that entrepreneurship refers to value-creation and causing discontinuity by carrying out new combinations of actions (Antoncic & Hisrich, 2003: 9). Entrepreneurial actions can be observed as either a series of smaller events or in one or a few larger events. Furthermore entrepreneurship can be observed in absolute terms, such as the creation of a new organisation versus no new organisation being created, or in relative terms, such as observing more entrepreneurial behaviour versus less entrepreneurial behaviour (Antoncic & Hisrich, 2003: 9). New organisation creation is regarded as the most obvious manifestation of entrepreneurial behaviour, and is also the most important topic to examine entrepreneurship at the individual level (Antoncic & Hisrich, 2003: 9).

A working definition of entrepreneurship is taken to refer to business ownership (Parker, 2008: 468). Eckhardt and Shane (2003: 336) defined entrepreneurship as the discovery, evaluation and exploitation of future goods and services by the

creation or identification of new ends and means previously undetected or unutilised by market participants. Brandstätter (2011: 223) states that novelty and creativity are the distinguishing factors for entrepreneurship but determined that as this definition blurred the distinction between management and leadership, that this definition is objectionable.

Recent research has identified self-employment as a measurable proxy for the concept of entrepreneurship (Caliendo, Fossen & Kritikos, 2012: 397). Van Aardt (2008: 11) provides a process-orientated definition of entrepreneurship, namely the act of initiating, creating, building and expanding an entrepreneurial team and gathering other resources to exploit an opportunity in the marketplace for long term gain. This definition focuses on growth, expansion and long-term financial gain. For this reason a small business that is aimed only at the survival of its owner cannot be regarded as an entrepreneurial venture (Van Aardt, 2008: 11).

It would however appear that the classic definition of entrepreneurship remains the identification and exploitation of opportunity in the face of resource constraints (Phan, Wright, Ucbasaran & Tan, 2009: 198). The definition of entrepreneurship by Berglann *et al*. (2011: 182) further elaborates in that it does not require that the organisation is new nor does it require that the entrepreneur is necessarily the founder of the organisation. The key distinguishing feature is the combined investment of capital and labour in the same organisation.

It is thus evident that an array of definitions has been formulated over the years, with some common concepts, such as renewal and innovation.

2.3 CHARACTERISTICS OF THE ENTREPRENEUR

Many characteristics have been identified over the years that describe the nature or features of the entrepreneur. Timmons and Spinelli (2009: 47) highlighted seven themes of desirable and acquirable attitudes and behaviours of entrepreneurs.

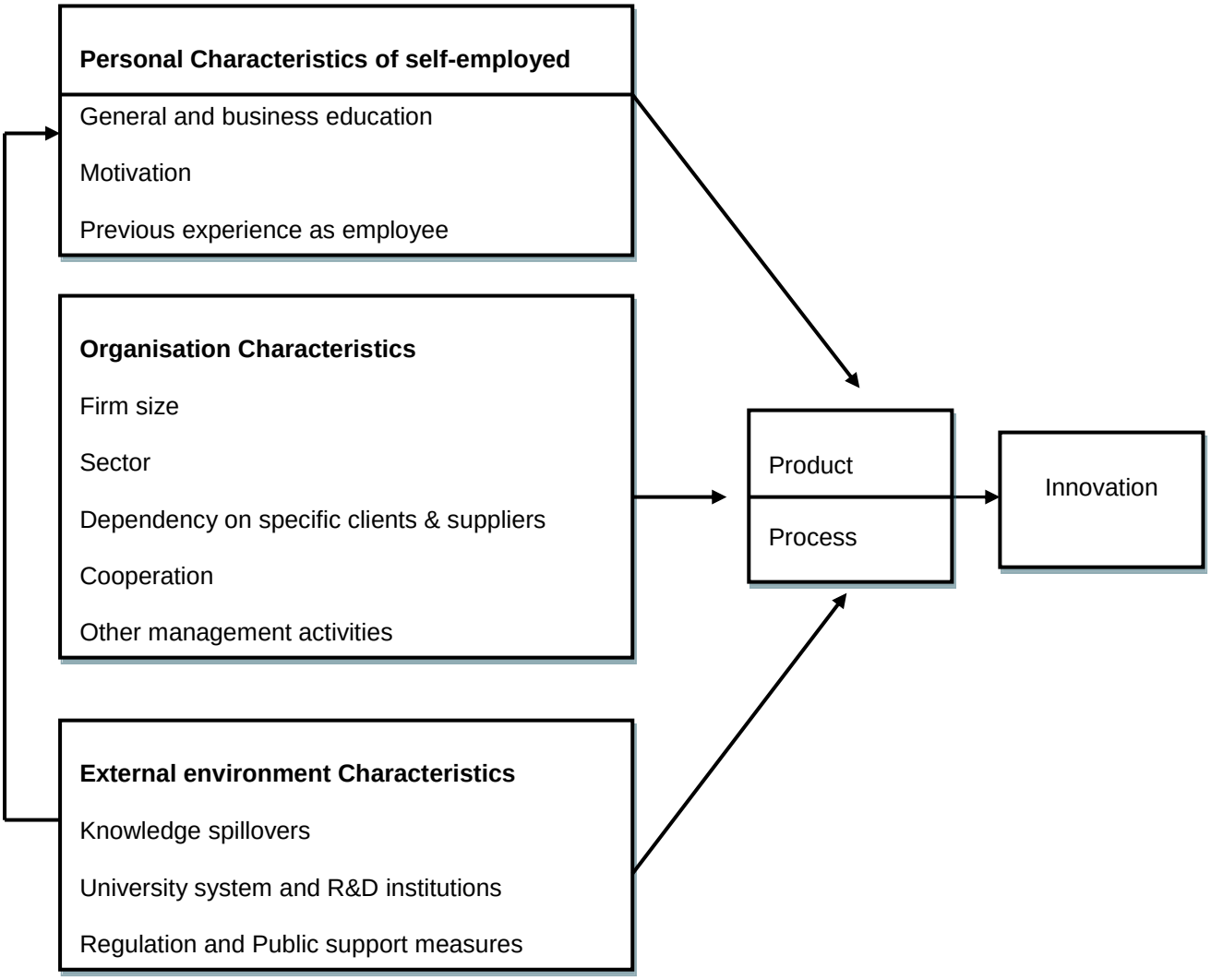
These are:

- Commitment and determination.
- Courage.
- Leadership.
- Opportunity obsession.
- Tolerance of risk, ambiguity and uncertainty.
- Creativity, self-reliance and adaptability.
- Motivation to excel.

Initial research occurred during 1848 where entrepreneurs were identified as risk takers (Timmons & Spinelli, 2009: 44). The important aspect of risk is highlighted in the fact that calculated risks are taken by entrepreneurs and not ingenuous risks. Risks need to be minimised and shared and stress and conflict needs to be tolerated (Timmons & Spinelli, 2009: 47). Foba and De Villiers (2007: 5) elaborated on the characteristics in that risk-taking, strategy, innovativeness, autonomy, and team building were regarded as the most important characteristics that distinguish entrepreneurs.

The innovation characteristic was further explored in a model that was investigated by Romero and Martínez-Román (2012: 179). Personal characteristics of the self-employed were investigated to establish whether it would lead to an increase in product or process innovation. These personal characteristics have been identified as general and business education, motivation and previous experience as an employee. This is depicted in figure 2.1 together with organisation characteristics and external environmental characteristics.

Figure 2.1: Factors influencing innovation activities in small businesses



Source: Romero and Martínez-Román (2012: 179)

Research regarding elements of figure 2.1 established that high intrinsic motivations lead to higher innovation activities (Romero & Martínez-Román, 2012: 179). Higher extrinsic motivations lead to higher innovation activities in the case of process innovations. Timmons and Spinelli (2009: 47) identified motivation to excel as a critical characteristic for entrepreneurs. Motivation to excel refers to individuals that are internally driven by a strong desire to compete against their own self-imposed standards and to pursue and attain challenging goals. These individuals are driven by a thirst for achievement rather than by status or power (Timmons & Spinelli, 2009: 53).

Romero and Martínez-Román (2012: 179) view general and specific business education programs as the major factors explaining innovative behaviour of self-employed people. The sources of general education stem from motivations of self-employed people and their management styles. Self-employed people with tertiary studies (a university degree or formal high professional training) are more strongly motivated towards entrepreneurship and innovation. In addition, these educated self-employed people also develop an entrepreneurially orientated style of management undertaking by energising activity that boosts innovation.

Leadership was also identified by Timmons and Spinelli (2009: 47) as an important characteristic of the entrepreneur. Leadership has to do with having experience, possessing intimate knowledge of the technology and marketplace to compete in, as well as sound general management skills and a proven track record (Timmons & Spinelli, 2009: 50). Types of entrepreneurial attitudes or behaviour include being a self-starter, having high standards, but not a perfectionist, being a team-builder, honest and reliable and treating others as you would like to be treated (Timmons & Spinelli, 2009: 47).

Furthermore, the results of the studies by Romero and Martínez-Román (2012: 179) show that a management style which gives importance to cooperation, business planning and the control and forecasting of the organisation's performance, significantly favours innovation in small businesses. Recent research amongst university hospitality students also showed a positive relationship between innovativeness and the intention to start a business (Altinay, Madanoglu, Daniele & Lashley, 2012: 495). A further positive relationship was also observed between the tolerance of ambiguity and risk-taking propensity. Lastly a positive relationship was observed between innovativeness and risk-taking propensity. Being innovative, having propensity for taking risks and being tolerant for ambiguity are thus traits supporting entrepreneurial behaviour. Research done by Caliendo *et al*. (2012: 405), show that a higher level of trust (aggregately measured) significantly increases the probability of entry into self-employment. Being aware of the negative consequences though of unconditional trust, increases the probability of being self-employed.

However, Gries and Naudé (2011: 222) determined that being entrepreneurial is in itself a valued human functioning. Thus, the evaluation of entrepreneurship is that it is a choice. Research has shown, that this valuation of entrepreneurship as a choice depends on whether people have agency. Agency refers to whether there is a choice to enter into entrepreneurial activity and not being forced to do so. Where entrepreneurship is a necessity or is forced due to not being able to access formal wage employment (insufficient skills or lack of employment opportunities) this value is diminished. Thus the value of entrepreneurship is reflected in whether people have the choice of not being an entrepreneur (Gries & Naudé, 2011: 222). However, Chen, Zhu and Anquan (2005: 541) advocate that entrepreneurial ability is regarded as developing the capacity to endure uncertain circumstances, developing the ability to seize opportunities and developing the ability to learn from failures. Innovation and venture means uncertainty.

Therefore a significant feature according to Chen *et al*. (2005: 541) of the entrepreneur is the ability to endure uncertain circumstances. Timmons and Spinelli (2009: 47) also identified commitment and determination, courage and opportunity obsession as key characteristics of the entrepreneur. Commitment and determination is seen as the most important factors of entrepreneurship. With commitment and determination many obstacles may be overcome and other weaknesses may be compensated for. Types of attitudes or behaviour include being tenacious and decisive, able to commit quickly, being persistent in solving problems and willing to take personal sacrifice (Timmons & Spinelli, 2009: 47).

Courage has its source in broadly understood knowledge, experience and integrity of the courageous individual (Timmons & Spinelli, 2009: 47). Types of attitudes or behaviour include fearless experimentation, not afraid of conflict and intense curiosity in the face of risk. Opportunity obsession has to do with taking the leadership in shaping an opportunity, being market-driven and having intimate knowledge of the customers' needs and wants .The first obsession should be with the opportunity and not with the money or other resources nor with appearances and image (Timmons & Spinelli, 2009: 51).

Timmons and Spinelli (2009: 47) also highlighted creativity, self-reliance and adaptability as important characteristics of the entrepreneur. Creativity, self-reliance and adaptability have to do with fluid and highly adaptive forms of organisation that can respond quickly and effectively (Timmons & Spinelli, 2009: 53). The entrepreneur has no fear of failure and is restless with the status quo, can conceptualise and "sweat the details" (Timmons & Spinelli, 2009: 47). According to Wood and Bandura (1989: 364), perceived self-efficacy concerns people's beliefs in own capabilities to mobilise the motivation, cognitive resources and the courses of action needed to exercise control over events in their lives. Chen *et al*. (2005: 531) define independence as bringing in new ideas and undertaking risk. Without independence there is no innovation.

Recent research further postulates that emotional intelligence is significantly related to entrepreneurial behaviour (Zampetakis, Beldekos & Moustakis, 2009: 171). This has as implication that employees with a high trait of emotional intelligence are more aware of the factors contributing to their experience of positive and negative emotions. The awareness of the factors that elicit certain emotions and understanding the effects of those emotions, enable employees with high emotional intelligence to take the appropriate actions to influence entrepreneurial behaviour.

Nicolaou and Shane (2009: 1) undertook research to determine whether genetic factors may influence the likelihood of engaging in entrepreneurial activity. The research did not propose that individuals are born with a gene for entrepreneurship but rather provided an argument for how certain genetic factors may influence the likelihood that some individuals pursue entrepreneurial activity. It is proposed that genetic factors may influence people to engage in entrepreneurial activity in four complementary ways. First, genes may affect chemical mechanisms in the brain to increase the likelihood that people will engage in entrepreneurial activity. Second, genes may prompt people to develop individual attributes, such as extraversion and internal locus of control, that affect the tendency of people to engage in entrepreneurial activity. Third, genes may make some people more receptive than others to environmental stimuli that

increase the likelihood of engaging in entrepreneurial activity. Lastly, genes may influence exposure to environments that increase the likelihood of engaging in entrepreneurial activity. Further research done by Nicolaou and Shane (2010: 12) found that from a practical perspective it was important to emphasise that the results do not suggest that genes determine entrepreneurship or occupational choice but that genetic factors merely predispose some people to choose these occupations. Genetic factors mattered only in a probabilistic sense, and less than environmental factors do.

Dvir, Sadeh and Malach-Pines (2010: 48) established though research that entrepreneurs in high novelty, high-technology ventures were significantly more entrepreneurial, creative, risk-taking, investigative, committed and enjoyed challenges more than compared to entrepreneurs in low novelty, low- technology ventures who were more likely to exhibit type-A behaviour.

Much research has taken place over the years to identify characteristics of entrepreneurs. Central themes arising from this research pivots around being able to seize opportunities, being innovative and independent or self-reliant, taking calculated risks, being motivated and operating as part of a team.

2.4 INTRAPRENEURSHIP AND CORPORATE ENTREPRENEURSHIP

2.4.1 Introduction

The concept of intrapreneurship has been evolving for more than 30 years, though it seems to have gained momentum since the 1990's (Brinkmann, 2011: 203). Pinchot (1985: 3) was one of the originators of the term intrapreneurship. Pinchot defined the term intrapreneur as an abbreviation for intra-corporate entrepreneur, being any of the "dreamers who do". According to Pinchot (1985: 3), intrapreneurs are those who take hands-on responsibility for creating innovation of any kind within the organisation. Pinchot (1985: 1) stated that the intrapreneur may be the creator or inventor but is always the dreamer who figures out how to turn an idea into a profitable reality. It was observed that intrapreneurs

are people who dream beyond their mundane domain of something unusual (Teltumbde, 2006: 129).

According to Bulut and Alpkan (2006: 65), terms such as intrapreneurship, corporate entrepreneurship, internal venturing or corporate venturing and internal corporate entrepreneurship have been used interchangeably to describe dependent, salaried innovators who display entrepreneurial actions within an existing organisation. This organisation has been founded and is owned by another (Bulut & Alpkan, 2006: 65). Antoncic and Hisrich (2003: 9) have used the term organisational entrepreneurship.

This definition is shared by Shimei and Zhongming (2008: 17) as well as Wakkee, Elfring and Monaghan (2010: 2) in that intrapreneurship is entrepreneurship within an existing organisation. Therefore it is the same characteristics defining an entrepreneur that defines an intrapreneur, with the difference that intrapreneurship is the exhibition of entrepreneurial behaviour within an organisation.

According to Birkinshaw (2003: 8), there are four schools of thought on corporate entrepreneurship. This includes corporate venturing, intrapreneurship, entrepreneurial transformation and bringing the market inside. Corporate venturing according to Birkinshaw (2003: 8) has to do with new business ventures that need to be managed separately from mainstream businesses to survive in order to deliver benefits to the sponsoring organisation. Scheepers, Bloom and Hough (2008: 3) concur with this definition of corporate venturing. Intrapreneurship according to Birkinshaw (2003: 8) focuses on the individual employee and his or her propensity to act in an entrepreneurial way. Scheepers *et al*. (2008: 3) agree with this definition of intrapreneurship.

According to Seshadri and Tripathy (2006: 17), intrapreneurship may take place at individual, group or organisation level, and fundamentally involves taking ownership, and operating with an entrepreneurial mindset. Entrepreneurial transformation is based on the assumption that large organisations can and

should adapt to an ever-changing environment (Birkinshaw, 2003: 9). This may be best achieved by changing the organisational culture and organisational systems to induce individuals to act more entrepreneurially. Bringing the market inside focuses on the organisation level and specifically on structural changes that can be made to encourage entrepreneurial behaviour (Birkinshaw, 2003: 9).

Shabana (2010: 32) concurs with the view that intrapreneurship is driven either by an individual or a team's willingness to take calculated risks or to act to create business opportunities for growth. Covin and Miles (1999: 48) reserve the term of corporate entrepreneurship as an entrepreneurial philosophy that permeates an entire organisation's outlook and operations so that the entire organisation acts entrepreneurially. Shabana (2010: 32) states that intrapreneurship is regarded as a concept linked to the entrepreneurial orientation of an organisation. Shabana further elaborates that intrapreneurship is the spirit of the entrepreneur within an established organisation. Thus the following equation is valid: Internal + entrepreneurs = intrapreneurs.

Therefore, internal entrepreneurs working within an organisation using basic entrepreneurial management skills are called intrapreneurs and the management concept itself is known as intrapreneurship (Shabana, 2010: 32). Intrapreneurship is regarded by some as a complex, mutually interrelated process between many actors and many units within and outside of the organisation (Menzel, Aaltio & Ulijn, 2007: 733). The definition by Seshadri and Tripathy (2006: 17) focuses on the corporate context, where the person leading reinvention is not an autonomous entrepreneur, but operating within a corporate organisation. However, there needs to be a basic transformation of perspective from employee to "psychological owner" or intrapreneur.

2.4.2 Development of the term intrapreneurship

The following table 2.2 provides a historical overview of the term intrapreneurship and table 2.3 provides a historical perspective of the term corporate entrepreneurship (CE). This provides observations on the growth of the body of

knowledge of these concepts. Take note that the tables below were adapted from Maes (2003) and include secondary references.

Table 2.2: Historical perspective of definitions on intrapreneurship

Source	Definition of intrapreneurship
Pinchot (1985)	Entrepreneurship inside large organisations.
Kuratko, Montagno and Hornsby (1990)	Entrepreneurship inside the organisation.
Stopford and Baden-Fuller (1994)	Creation of new businesses inside existing organisations.
Carrier (1996)	The introduction and implementation of a significant innovation for the organisation by one or more employees working within an established organisation.
Hostager, Neil, Decker and Lorentz (1998)	Individuals and groups working within the corporation to: (1) identify ideas for new products or services (2) turn these ideas into profitable products or services.
Antoncic and Hisrich (2001)	A process that goes on inside an existing organisation, regardless of its size, and leads not only to new business ventures but also to other innovative activities and orientations such as development of new products, services, technologies, administrative techniques, strategies and competitive positioning.

Source: Adapted from Maes (2003: 21-23)

Table 2.3: Historical perspective of definitions on corporate entrepreneurship

Source	Definition of corporate entrepreneurship
Jennings and Lumpkin (1989)	The extent to which new products and/or new markets are developed.
Covin and Slevin (1991)	Extending the organisation's domain of competence and corresponding opportunity set through internally generated new resource combinations.
Zahra (1991)	The process of creating new business within established organisations to improve organisational profitability and enhance an organisation's competitive position or the strategic renewal of existing business.
Zahra (1993)	A process of organisational renewal that has two distinct but related dimensions: (1) innovation and venturing and (2) strategic renewal.
Zahra (1995)	The sum of an organisation's innovation, venturing and renewal efforts.
Carrier (1996)	A process of creating new business within established organisations to improve organisational profitability and enhance an organisation's competitive position.
Covin and Miles (1999)	The presence of innovation plus the presence of the objective of rejuvenating or purposefully redefining organisations, markets, or industries in order to create or sustain competitive superiority.
Dess, Lumpkin and McGee (1999)	Consisting of two types of phenomena and processes: (1) the birth of new businesses within existing organisations, whether through internal innovation or joint ventures/alliances and (2) the transformation of organisations through strategic renewal, i.e. the creation of new wealth through the combination of resources.
Zahra, Neubaum and Huse (2000)	The sum of an organisation's venturing and innovation activities.
Ucbasaran, Westhead and Wright (2001)	A process of organisational renewal associated with two distinct but related dimensions: (1) creating new businesses through market developments or by undertaking product, process, technological and administrative innovation (2) redefinition of the business concept, reorganization, and the introduction of system-wide changes for innovation.
Hornsby, Kuratko and Zahra (2002)	Corporate entrepreneurship centers on re-energizing and enhancing the ability of an organisation to acquire innovative skills and capabilities.

Source: Adapted from Maes (2003: 21-23)

In essence the historical view on intrapreneurship and corporate entrepreneurship shows a central theme of being entrepreneurial within an organisation. The historical view on corporate entrepreneurship centers on innovation and renewal.

Many definitions and explanations on the term intrapreneurship include innovation or renewal. According to Kuratko, Ireland and Hornsby (2001: 60), entrepreneurship should in future include acts of creation, renewal or innovation with regard to economic or business activities that occur within or outside an organisation, as well as activities that take place in an established organisation. The activities that take place within an established organisation are described as corporate entrepreneurship or intrapreneurship.

Goldsby, Kuratko, Hornsby, Houghton and Neck (2006: 19) view corporate entrepreneurship as focusing on re-energising and enhancing the ability of an organisation to acquire innovative skills and capabilities. Organisations must have the capacity to innovate faster than its best competitors (Teng, 2007: 119). This capacity is about identifying new ways of doing business, developing new technologies and products and entering new markets in new organisational forms.

Sharma and Chrisman (1999: 16) define corporate entrepreneurship as the process whereby an individual or group of individuals in association with an existing organisation, create a new organisation or instigate renewal or innovation within that organisation. Corporate entrepreneurship has also been defined as the development of new business ideas and opportunities within large and established organisations (Hough & Scheepers, 2008: 16).

According to Foba and De Villiers (2007: 2), there are four primary characteristics that identify entrepreneurship as well as intrapreneurship. These characteristics include corporate or new business venturing, proactiveness, self renewal or transformation and competitive aggressiveness. An analysis of the literature revealed however that the following characteristics of the entrepreneur should

also be included as dimensions of intrapreneurship, namely strategy, innovativeness, autonomy, risk-taking and team building (Foba & De Villiers, 2007: 5). Morris, Van Vuuren, Cornwall and Scheepers (2009: 429) concur with these views and added proactive behaviours as part of corporate entrepreneurship. These activities collectively are often called corporate entrepreneurship (Covin & Slevin, 1991: 7). Covin and Miles (1999: 59) and Zahra (1995: 226) conclude that corporate entrepreneurship includes three dimensions, namely innovation, corporate venturing and strategic renewal.

2.4.3 The activity or action concept in intrapreneurship

Thornberry (2001: 526) and Pinchot (1985: 41) noted that entrepreneurial activity is needed to exploit opportunities as it arises within organisations. Intrapreneurship is the practice of creating new business products and opportunities and therefore taking action in an organisation through proactive empowerment (Eesley & Longenecker, 2006: 18).

Many researchers concur with the inclusion of activity or action within the definition of corporate entrepreneurship or intrapreneurship. Van Geenhuizen, Middel and Lassen (2008) defined corporate entrepreneurship as the process whereby organisations engage in diversification through internal development. Zahra (1995: 227) observes corporate entrepreneurship as formal or informal activities aimed at creating new businesses in established organisations either through product or process innovation and market developments.

The activities may take place at the organisational, divisional, functional or project level (Zahra, 1995: 227). The main objective of these activities is to improve the organisation's competitive position and financial performance. Hough and Scheepers (2008: 16) as well as Scheepers, Hough and Bloom (2007: 240) refer to corporate entrepreneurship as the development of new business ideas as well as opportunities within large, established organisations.

Farinós *et al*. (2011: 326) highlight the many ways for an organisation to engage in corporate entrepreneurship, including organic growth, joint ventures, alliances,

mergers and acquisitions. Wolcott and Lippitz (2007: 75) define corporate entrepreneurship and the activity needed as the process by which teams within an established organisation conceive, foster, launch and manage a new business that is distinct from the parent company, but leverages the parent's assets, market position, capabilities or other resources.

Four models have been proposed for corporate entrepreneurship by Wolcott and Lippitz (2007: 75), each differing in terms of the degree of ownership and resource allocation. The opportunist model centres on diffused ownership and ad hoc resource allocation; the enabler model focuses on diffused ownership and dedicated resource allocation; the advocate model predicates focused ownership and ad hoc resource allocation and the producer model centres on focused ownership and dedicated resources (Wolcott & Lippitz, 2007: 76).

2.4.4 The benefits of intrapreneurship or corporate entrepreneurship

Research has identified many benefits of corporate entrepreneurship for the organisation. Corporate entrepreneurship is a potential survival strategy for organisations that operate in highly competitive business environments (Peltola, 2012: 44). Furthermore corporate entrepreneurship is also recommended for established organisations that face declining business performance (Peltola, 2012: 44). Corporate entrepreneurship may also be selected as a chosen strategy with the purpose of increasing financial performance (Hough & Scheepers, 2008: 16).

Corporate entrepreneurship has been recognised as a tool for improving competitive positioning and transforming corporations, their markets and industries as opportunities for creating value (Özdemirci, 2011: 613). Kuratko and Hornsby (1998: 30) concur with this viewpoint in that corporate entrepreneurship activities are performed with the unifying objective of improving an organisation's competitive position and financial performance.

The vast majority of people in any profession does not choose the path of the intrapreneur, however it is a fulfilling , personally and professionally rewarding

path and is urgently required by organisations big and small so that organisations can thrive meaningfully in today's uncertain times (Seshadri & Tripathy, 2006: 17).

2.5 ENTREPRENEURIAL ORIENTATION DEFINED

Most researchers credit Miller (1983) with coining the term entrepreneurial orientation (EO) however; he never employed entrepreneurial orientation in any of his initial writings on the topic (Covin & Lumpkin, 2011: 855). Miller did however refer to entrepreneurial determinants and imperatives (Miller, 1983: 787). The central thesis of his paper focused on the premise that entrepreneurship is integrally related to variables of the environment, structure, strategy and leader personality. Miller (1983: 787) stated that these relationships vary systematically and logically from one type of organisation to the other. Miller (1983: 771) defined an entrepreneurial organisation as one that engages in product-market innovation, undertakes somewhat risky ventures and is first to come up with proactive innovations, beating competitors to the punch.

Within the field of entrepreneurship, there is now greater attention being paid to the topic of entrepreneurial orientation than to corporate entrepreneurship, although many scholars consider entrepreneurial orientation to be an aspect of corporate entrepreneurship (Covin & Lumpkin, 2011: 857). Entrepreneurial orientation is defined by Covin and Lumpkin (2011: 857) as a usually general or lasting direction of thought, inclination or interest pertaining to entrepreneurship.

Covin and Slevin (1989: 77) defined the term entrepreneurial orientation as the mindset of organisations engaged in the pursuit of venture creation including innovativeness, risk-taking and proactiveness. Wakkee *et al*. (2010: 4) as well as Brundin, Patzelt and Shepherd (2008: 231) concur with this definition. Lumpkin and Dess (1996: 136) were of the opinion that five dimensions should be used to measure entrepreneurial orientation and added autonomy and competitive aggressiveness to the original three: innovation, risk-taking and proactiveness. Scheepers *et al*. (2007: 241) advocate that autonomy is an integral condition that influences the organisational climate. Scheepers *et al*. (2007: 241) are of the

opinion that competitive aggressiveness forms part of the proactiveness sub-dimension.

Many scholars have used the five constructs to measure entrepreneurial orientation within organisations (Johnson, 2011: 9; Scheepers *et al*., 2007: 241). Taking a multiplicative view, Slevin and Terjesen (2011: 978-979) investigated whether multiplication instead of summation in terms of innovation x proactiveness x risk-taking = entrepreneurial orientation instead of innovation + proactiveness + risk-taking = entrepreneurial orientation is true. The significance of the multiplicative measure is that each variable is required to be in existence in order for it to be a construct. The expectations and demands however of a multiplicative measure are stringent, and it is not apparent that additional predictive power is gained, at least in the samples assessed during the research.

Lumpkin and Dess (1996: 136) are of the view that entrepreneurial orientation refers to the process view of how new value has been created. The popular view among scholars is that the variable nature of entrepreneurship can be measured in terms of entrepreneurial orientation (Kreiser, Marino & Weaver, 2002; Barringer & Bluedorn, 1999: 428). Entrepreneurial orientation measures the degree of entrepreneurship within an organisation (Scheepers *et al*., 2007: 241). McGuinness (2008: 8) postulated that the distinction between entrepreneurship and entrepreneurial orientation corresponds to the difference between content and process in the strategic management literature – entrepreneurship being compared to the content and entrepreneurial orientation being compared to the process of how to be entrepreneurial.

Wang (2008: 650) postulates that entrepreneurial organisations must foster organisational learning in order to maximize the effect of entrepreneurial orientation on performance of the organisation. Learning orientation underpins an organisation's internal self-renewal and is an important aspect of an organisation's strategizing activities (Covin, Green & Slevin, 2006: 59). Organisational learning entails how organisations choose, learn from and refine or redefine major business-related decisions and the patterns they assume

(Covin *et al*., 2006: 59). Kreiser (2011: 1045) argued that entrepreneurial orientation plays an important role in enhancing levels of acquisitive and experimental learning within organisations.

Covin and Lumpkin (2011: 859) recognised entrepreneurial orientation as a strong organisational level trait or attribute. The observation made here is that for organisational-level attributes to exist, the quality in question should be sustained to some degree over time. Covin and Lumpkin (2011: 858-859) also postulated that non-observable elements pertaining to an organisation's outlook toward entrepreneurship can be associated with entrepreneurial orientation. For example organisational cultural values conducive to entrepreneurship are associated with the demonstration of entrepreneurial orientation. Such elements, however do not define entrepreneurial orientation.

Research has also found that an entrepreneur who has a high sense of generalised self-efficacy will be more likely to create an organisation that has an entrepreneurial orientation than one that has a low sense of generalised self-efficacy (Poon, Ainuddin & Junit, 2006: 67). Self-efficacy is a concept referring to one's perceived ability to accomplish a certain level of competence (Poon *et al*., 2006: 64). Self-efficacy has also been defined as a person's belief about his or her chances of successfully accomplishing a specific task (Kreitner & Kinicki, 2008: 127).

Research done by Kollmann, Christofor and Kuckertz (2007: 336) proved how the entrepreneurial orientation construct may be transferred to the individual level. It was also shown which environmental factors, namely the cultural environment, the political/legal environment, the macro-environment and the micro-environment all influence the entrepreneurial orientation of the pre-emerging entrepreneur.

Recent research also reveals that there is a strong relationship between entrepreneurial orientation and the performance of organisations (Sharma & Dave, 2011: 50). A higher entrepreneurial orientation in an organisation will thus

lead to higher performance. A discovery was made in that risk-taking has the highest impact on the performance of the organisation as compared to innovativeness and proactiveness (Sharma & Dave, 2011: 50). Rauch, Wiklund, Lumpkin and Frese (2009: 774) concur with this view in that the results of a recent meta-analysis revealed that entrepreneurial orientation is a significant predictor of an organisation's performance.

In the literature a contentious issue has been observed in the two principle ways in which the entrepreneurial construct has been conceptualised as a uni-dimensional construct or a multidimensional construct. Former studies (Covin & Slevin, 1989: 84; Miller, 1983: 787) viewed entrepreneurial orientation as a uni-dimensional construct which means that the display of only one or two of the dimensions would be insufficient to mark the organisation as entrepreneurial (Covin & Lumpkin, 2011: 862). Considering entrepreneurial orientation as a uni-dimensional construct therefore implies that the elements of entrepreneurial orientation need to be manifested concurrently by the organisation. Research however suggested that entrepreneurial orientation is to be considered as a multi-dimensional construct that exists as a set of independent dimensions (Casillas & Moreno, 2010: 287; Wiklund & Shepherd, 2005: 74; Lumpkin & Dess, 1996: 165). George and Marino (2011: 1000) postulate that this implies that entrepreneurial orientation is created by its dimensions, rather than the dimensions being manifestations of entrepreneurial orientation.

2.6 DETERMINANTS OF SUCCESS FACTORS OF CORPORATE TRAINING ORGANISATIONS

There is a general accord in the literature that business performance is a multidimensional concept (Frank, Kessler & Fink, 2010: 184; Wiklund & Shepherd, 2005: 77; Lumpkin & Dess, 1996: 137). Hence multiple performance measures should be used to determine business performance, rather than a single dimension. Regrettably, there is no consensus on the suitable measures to be used to define business performance (Madsen, 2007: 195). A frequent distinction made between business performance measures includes financial and non-financial measures (Rauch *et al*., 2009: 765).

For purposes of this study, the dependant variables “perceived success factors of a corporate training division” will include the following dimensions as set out in the literature review under section 3.6 of chapter 3.

- Kirkpatrick’s (1996: 55-56) four levels of training evaluation. These include:
    - Learner reaction to the training.
    - Learning gained through knowledge, skill or attitudes.
    - Learner behaviour change or application in the workplace after training.
    - Business results of training.
- Phillips’s (1996:20) return on investment model of training.
- The dimensions of a learning organisation as specified by Garvin *et al*. (2008: 109):
    - A supportive learning environment.
    - Concrete learning processes.
    - Leadership that reinforces learning.

2.7 MEASURING ENTREPRENEURIAL ORIENTATION

The initial constructs measuring entrepreneurial orientation may be traced back to Miller and Friesen in 1982 (George & Marino, 2011: 1003-1004). Miller and Friesen (1982: 7) used dimensions related to the environment, information processing, organisation structure, decision-making style, product innovation and risk-taking to distinguish between entrepreneurial and conservative organisations.

Covin and Slevin (1989: 77) developed an instrument, in essence focusing on innovation, risk-taking and proactiveness that have become the standard for measuring entrepreneurial orientation within organisations (George & Marino, 2011: 1004). The Miller/Covin and Slevin scale on measuring entrepreneurial orientation measures both dispositions and behaviours (Covin & Lumpkin, 2011: 859). The reason for including dispositions is to ensure that the behaviours being assessed are likely being driven by stable response tendencies. Lumpkin and Dess (1996: 139-140) concurred with the views of Covin and Slevin (1989: 76) and added autonomy and competitive aggressiveness as constructs measuring entrepreneurial orientation.

Wang (2008: 638) adopted four dimensions, namely proactiveness, competitive aggressiveness, risk-taking and innovativeness. Lumpkin and Dess (2001: 439) were also able to link the dimensions of entrepreneurial orientation to an organisation's performance. It was found that factors such as industry and environmental variables, or the structural and managerial characteristics of an existing organisation influence how an entrepreneurial orientation will be configured to achieve high performance (Lumpkin & Dess, 1996: 151-152). Research further shows that the instrument developed by Covin and Slevin (1989: 85) has been used in a majority of the empirical studies of entrepreneurial orientation that was examined since its foundation (George & Marino, 2011: 1004).

Although not used in this study, some alternative methods for measuring entrepreneurial orientation have also seen the light. Short, Broberg, Cogliser and Brigham (2010: 330) designed a computer-aided text analysis tool to measure entrepreneurial orientation where published documents are screened for language that is indicative of an organisation's entrepreneurial orientation level. Secondary data, such as the financial statements of an organisation is again used by Miller and Le Breton-Miller (2011: 1052). For instance an organisation's research and development to sales ratio is used to assess innovativeness; the percentage of profits reinvested in the organisation each year is compared to competitors in the same industry to measure proactiveness; and the volatility of the organisation's share price not associated with industry or economic fluctuations, measures risk-taking. It is evident that the same constructs, namely innovation, proactiveness and risk-taking is used by Miller and Le Breton-Miller (2011: 1052) to measure entrepreneurial orientation.

The measuring instrument (structured questionnaire) of Lotz and Van der Merwe (2013: 15) was used in this study to assess the entrepreneurial orientation in corporate training divisions of selected South African banks. The items measuring the dimensions of entrepreneurial orientation were compiled by Lotz and Van der Merwe (2013: 15) based on the following measuring instruments, namely: *The corporate entrepreneurship climate instrument* (Morris, Kuratko &

Covin, 2008); *Entrepreneurial climate* (Oosthuizen, 2006); *Measuring intrapreneurship* (Hill, 2003); *Corporate entrepreneurship assessment instrument* (Hornsby, Kuratko & Zahra, 2002); *Intrapreneurship items* (Antoncic & Hisrich, 2001); *Entrepreneurial orientation items* (Lumpkin & Dess, 2001); *The Entrescale* (Knight, 1997) and *The organisation structure and strategic posture scale* (Covin & Slevin, 1989).

2.8 DETERMINANTS OF ENTREPREURIAL ORIENTATION

Therefore, the dimensions measuring entrepreneurial orientation used in this study concur with those found in the literature (Covin & Lumpkin, 2011: 857; Antoncic & Hisrich, 2001: 495; Zahra, Jennings & Kuratko, 1999: 51; Lumpkin & Dess, 1996: 139-140; Covin & Slevin, 1989: 76), and include the constructs innovation, proactiveness, risk-taking, autonomy and competitive aggressiveness. Thus, the initial constructs as identified by Covin and Slevin (1989: 77) namely innovation, risk-taking and proactiveness are used as well as the additional two as identified by Lumpkin and Dess (1996: 139-140) namely autonomy and competitive aggressiveness. For the purposes of this study, these five dimensions will be considered as independent variables influencing the dependant variables, the perceived success factors of corporate training divisions, discussed in section 3.6 under chapter 3.

2.8.1 Innovativeness

Innovativeness has been regarded as an essential part of entrepreneurship since 1942 when Schumpeter argued that the competitive entry of innovative new combinations into a marketplace advanced society by disrupting the existing market (cited by Lumpkin & Dess, 1996: 142). Researchers have distinguished between two main categories of innovation, namely product and process innovation (Rametsteiner & Weiss, 2004: 4; Edquist, 2001: 7).

Lumpkin and Dess (1996: 142) defined innovativeness as it pertains to entrepreneurial orientation as an organisation's propensity to engage in and support new ideas, novelty, experimentation and creative processes that may

result in new products, services or processes. Short, Payne, Brigham, Lumpkin and Broberg (2009: 13) concur with this definition. Scheepers *et al*. (2007: 241) further stated that innovativeness pertains to the creation of new products, services and technologies. Nybakk and Hansen (2008: 474) as well as Wiklund and Shepherd (2005: 75) concur with this view, and added that these organisations departed from the established practices and technologies. Bhardwaj *et al.* (2007: 49); Antoncic and Hisrich (2001: 498) and Covin and Slevin (1991: 10); also agree with this definition and added that the innovativeness dimension refers to product and service innovation with emphasis on the development and innovation in technology. Innovativeness and certain willingness to change are central aspects in examining entrepreneurial orientation (Weismeier-Sammer, 2011: 131). Innovativeness focuses on the search for creative and meaningful solutions to individual and operational problems (Darling, Gabrielsson & Seristö, 2007: 5).

Goosen, de Coning and Smit (2002: 22) state that innovative organisations develop strong, positive market reputations. These organisations adapt to market changes and exploit markets or opportunity gaps. Sustained innovation further distances intrapreneurial organisations from their industry rivals and thus increases financial returns. Intrapreneurial organisations are by definition also more proactive than traditional organisations and their quick market response provides added competitive advantage (Goosen *et al*., 2002: 22).

Research postulates that emerging market organisations rely more on sustainable product innovativeness, innovative management systems, and international expansion as ways to enhance their strategic competitiveness (Yiu & Lau, 2008: 50). Innovativeness can be a source of competitive advantage for an organisation (Goosen *et al*., 2002: 22). Therefore innovativeness has been an essential part of entrepreneurship for many years, and it has been proven that financial returns and strategic competitiveness is enhanced by innovativeness. The relationship between innovativeness and organisation performance presents the greatest degree of consensus (Casillas & Moreno, 2010: 269). For instance Rauch *et al*. (2009: 782); Avlonitis and Salavou (2007: 573) as well as Wiklund

and Shepherd (2005: 85) all found a positive relationship between innovativeness and business performance.

There seems to be sufficient anecdotal evidence to formulate the following hypothesis:

H^1: There is a significant relationship between innovativeness and the perceived success factors within corporate training divisions.

2.8.2 Risk-taking

Risk-taking is associated with the risk-return trade-off that is common in financial analysis (Short *et al*., 2009: 14). Generally risk-taking refers to the bold actions taken in the face of uncertainty. Risk-taking is reflected by the willingness of owners or managers to commit a large percentage of an organisation's resources to new projects and to incur heavy debt in the pursuit of opportunity (Lumpkin & Dess, 1996: 144; Miller, 1983: 780). Baker and Sinkula (2009: 447) concur with this view. Risk-taking according to Covin and Slevin (1991: 10) is defined as venturing into unknown territory or circumstances without knowing what the results will be.

Covin and Slevin (1991: 10) further advocate that risk-taking refers to investment decisions and strategic actions in the face of uncertainty. Lumpkin and Dess (1996: 144) defined risk-taking as a sense of uncertainty and the probability of loss or negative outcomes coupled with a high leverage from borrowing and heavy commitment of resources. Scheepers *et al.* (2007: 241) defines risk-taking as the willingness to commit significant resources to opportunities with a reasonable chance of costly failure. These risks are typically calculated and manageable.

Risk-taking propensity has been defined as the inclination of an individual to exhibit risk-taking or risk avoidance when confronted with situations which might involve an element of risk (Gürol & Atsan, 2006: 28). Altinay *et al.* (2012: 491) concur with this view.

According to Scheepers, Hough and Bloom (2008: 58), three items assess the relative risk-taking propensity of an organisation: the degree of risk (low versus high) of projects; the strategic posture (wait-and-see or bold and aggressive) of the organisation and the type of behaviour to achieve goals (cautious versus bold). Mullins and Forlani (2005: 47) demonstrated that risk-taking is situation specific with respect to the magnitude of loss or gain and the likelihood of loss or gain.

Doms, Lewis and Rob (2010: 70) are of the opinion that while self-employment is not an ideal measure of entrepreneurial activity, the decision to be self-employed in itself involves risk-taking. Drucker (2009: 126) suggested that entrepreneurship is opportunity driven and need not necessarily involve risk-taking. In fact he postulated that the entrepreneur is not a risk-taker. Zampetakis and Moustakis (2007: 23) agree with this view.

Empirical studies have confirmed the notion that entrepreneurs are risk-takers, although there is no consensus in the literature about the extent of risk-taking in an entrepreneurship process (Altinay *et al*., 2012: 491). Gürol and Atsan (2006: 30) view entrepreneurship as historically being associated with risk-taking. Results of research undertaken suggest that the processes and practices related to entrepreneurial activities in family businesses involve an element of risk-taking (Naldi, Nordqvist, Sjöberg & Wiklund, 2007: 40). Risk-taking was also not regarded as an isolated occurrence. Processes and practices related to risk-taking are correlated with innovative and proactive behaviours.

Regarding risk-taking within organisations, Mayer, Davis and Schoorman (1995: 721) are of the opinion that employees should be allowed and encouraged to take risks, and this requires more than the delegation of autonomy. Mutual trust and commitment depend heavily on the emotional attachment of the intrapreneur to their organisation which is in addition to their ability and integrity. Bulut and Alpkan (2006: 66) postulate that management needs to create a strong entrepreneurial climate in the organisation – one that has management support, participation in strategic plans, autonomy, resource allocation and a tolerance for

risk-taking. Research incorporating agency theory regarding risk was performed by Jones and Butler (1992: 735). Review papers completed by Nilakant and Rao (1994: 652) as well as Eisenhardt (1989: 58) postulated that without appropriate monitoring and control mechanisms in place, individual agents acting on behalf of organisations will minimise personal risk and maximise personal gain, which may not be in the interests of the owners of the organisation. In other words, the more expectation of success (less risk) employees attributes to a corporate entrepreneurship project, the more utility they will expect from this project and the more likely it is that the employees will participate. Monsen, Patzelt and Saxton (2010: 109) agree with this view. Research has shown that moderate risk-taking is considered best for the maximum outcome of corporate entrepreneurship efforts (Bhardwaj *et al*., 2007: 56).

Risk-taking is regarded as an important dimension of intrapreneurship (Antoncic & Hisrich, 2003: 17). According to Antoncic and Hisrich (2003: 17), risk as the possibility of loss, may be viewed as an innate characteristic of innovativeness, new business formation and aggressive or proactive actions of existing firms. Past research (Lumpkin & Dess, 1996: 144; Covin & Slevin, 1989: 77) postulated strong arguments to associate risk-taking with other intrapreneurship dimensions, however risk-taking has been considered as a distinctive characteristic or dimension of entrepreneurship in existing organisations. Antoncic and Hisrich (2003: 17) came to the conclusion that risk-taking can be viewed as a dimension of intrapreneurship that is related, but separate from other dimensions.

Mullins and Forlani (2005: 47) when comparing their findings with previous research found that it is unlikely that corporate managers would ever be pioneering risk-takers, even though they are not risking their own money. Corbett and Hmieleski (2007: 111-112) agree with this view. It was speculated that the difference in decision-making is likely to be related to the differing motives between independent entrepreneurs and corporate managers.

Research found that calculated risks that were planned and moderated had positive outcomes in terms of the organisation’s performance whereas risk-taking

that involved bold acts were considered by respondents to have negative effects on the organisation's performance in three of the four industries surveyed (Coulthard, 2007: 9). The assumption is that an entrepreneur takes calculated economic risk, but also maximises profit by bearing the state of uncertainty caused by the possibility of failure (Vesala, Peura & McElwee, 2007: 52).

Hence, the following hypothesis is formulated:

H^2: There is a significant relationship between risk-taking and the perceived success factors within corporate training divisions.

2.8.3 Proactiveness

Proactiveness refers to acting in anticipation of marketplace changes or future needs and problems (Short *et al*., 2009: 14). Van Geenhuizen *et al*. (2008) agree and are of the view that corporate entrepreneurs take initiative and act on possible future problems, needs or changes. Lumpkin and Dess (1996: 146) further defined proactiveness as taking initiative by anticipating and pursuing new opportunities and by participating in emerging markets. Sharma and Dave (2011: 46) concur and add that taking initiative and participating in emerging markets have become associated with entrepreneurship.

Sharma and Dave (2011: 47) further postulate that a proactive organisation is a leader rather than a follower; as such an organisation has the will and foresight to seize new opportunities, even if the organisation is not always first to market. Proactiveness has to do with how an organisation relates to market opportunities in the process of new entry (Sharma & Dave, 2011: 47). This may be accomplished by seizing initiative and acting opportunistically in order to shape its environment through influencing trends and even to create demand.

Venkatraman (1989: 949) defined proactiveness as seeking new opportunities which may or may not be related to the present line of operations; the introduction of new products and brands ahead of the competition and to strategically eliminate operations which are in the mature or declining stages of

the life cycle. Knight (1997: 214) added that proactiveness is the opposite of re-activeness and is associated with aggressive posturing relative to competitors. The concept further refers to the extent to which organisations attempt to lead rather than follow competitors in critical business areas such as the introduction of new products or services, operating technologies as well as administrative techniques (Antoncic & Hisrich, 2001: 499).

Covin and Slevin (1991: 7) further felt that proactiveness was reflected in the organisation's inclination to aggressively and proactively compete with industry rivals. Antoncic and Hisrich (2001: 499) agreed with this statement and added that proactiveness further includes initiative, risk-taking and boldness that are reflected in orientations and activities of top management. The proactiveness dimension reflects top management orientation in pursuing enhanced competitiveness. Antoncic and Hisrich (2001: 499) included competitive aggressiveness and boldness as components of proactiveness.

Proactiveness is included as a construct of entrepreneurial orientation since entrepreneurs will, rather than letting opportunities lay idle, rather aim at exploiting business opportunities (Kollmann *et al*., 2007: 331). Rauch *et al.* (2009: 778) found that proactiveness, together with innovativeness and risk-taking are of equal importance in explaining business performance. Furthermore, Casillas and Moreno (2010: 270) found that proactive businesses revealed superior performance.

Sufficient research evidence therefore exists to formulate the following hypothesis:

H^3: There is a significant relationship between proactiveness and the perceived success factors within corporate training divisions

2.8.4 Autonomy

Autonomy is traditionally seen through the formation of new and independent ventures (Lassen, Gertsen & Riis, 2006: 361). However, the construct was

developed predominantly as a characteristic of the individual as opposed to the organisation (Antoncic & Hisrich, 2003: 18). On an individual level, autonomy refers to employees' direction and the extent to which they are empowered to make decisions on the performance of their own work, in the way it is believed to be most effective (Scheepers *et al*., 2007: 242). This freedom helps employees to function autonomously and solve work-related problems in unconventional ways (Scheepers, Hough & Bloom, 2008: 68).

Autonomy may also be viewed as an internal condition that influences the organisational climate (Scheepers *et al*., 2007: 241). Development of autonomy allows intrapreneurs who are intent on innovation to pursue risky but innovative projects and with the aid of organisational resources (specifically time allocated for these types of projects) to increase an entrepreneurial climate within the organisation (Hornsby *et al*., 2002: 266; Souder, 1981: 19).

Therefore, autonomy is also considered to be an essential part of entrepreneurial acts, and refers to carrying the entrepreneurial vision through to completion (Lumpkin & Dess, 1996: 140). Autonomy is defined by Lumpkin and Dess (1996: 140) as both a willingness and an ability to work independently when acting on an opportunity or implementing an entrepreneurial vision. Van Geenhuizen *et al*. (2008) concur with this viewpoint.

Autonomy is therefore regarded as an important factor if an organisation wishes to develop entrepreneurially (Scheepers *et al*., 2007: 252) and facilitates corporate entrepreneurial activities (Hough & Scheepers, 2008: 19). As long as aspiring intrapreneurs experiences opportunities of self-determination and has freedom and autonomy to make decisions and take actions to exercise influence in their role, satisfaction can be experienced through self-imposed projects (Menzel *et al*., 2007: 737).

Autonomy should be varied according to the type of entrepreneurship sought by the organisation. Incremental innovation can occur in more restrained environments while discontinuous innovation requires considerable autonomy

(Morris *et al*., 2009: 435). Research performed in small businesses revealed that it seems to indicate that self-employed workers have frequently no autonomy to change the characteristics of the goods or services they produce and they are often also poorly motivated to introduce innovations (Romero & Martínez-Román, 2012: 186). Research done in family businesses found that it operates more flexibly if it gives more autonomy to its managers and implements greater formalisation and control, which are typical of later stages of the organisation's lifecycle (Hatum & Pettigrew, 2004: 255). Dawson (2012: 7) concurs with this stance. This differs from previous findings, in which lower levels of centralisation and formalisation have been found to be associated with organisational flexibility (Bahrami, 1992: 48; Damanpour, 1992: 395).

Lumpkin and Dess (1996: 140) postulated the inclusion of autonomy as a dimension of entrepreneurial orientation, however not many studies have assessed autonomy as a construct of entrepreneurial orientation (Lumpkin, Cogliser & Schneider, 2009: 48). Therefore the relationship between autonomy and business success has not been deliberated. Autonomy is however considered to be an essential part of entrepreneurial orientation (Short *et al*., 2009: 12) and research has proven a strong relationship between entrepreneurial orientation and the performance of the organisation (Sharma & Dave, 2011: 50).

Therefore in view of the aforementioned arguments, the following hypothesis is formulated:

H^4: There is a significant relationship between autonomy and the perceived success factors within corporate training divisions.

2.8.5 Competitive aggressiveness

Competitive aggressiveness has been recognised as a key component of business success ever since military science books highlighted its contribution to the understanding of effective strategising (Short *et al*., 2009: 12). Therefore competitive aggressiveness is frequently characterised by an offensive

confrontational posture or an aggressive response aimed at overcoming threats in a competitive marketplace (D'Aveni, 1994: 348).

Competitive aggressiveness has been defined by Lumpkin and Dess (1996: 140) as the propensity to directly and intensely challenge its competitors to achieve entry or improve position. This definition is supported by Wang (2008: 637); Lassen *et al*. (2006: 362) as well as Antoncic and Hisrich (2003: 15) who further purported that the reason for competitive aggressiveness is to outperform its rivals in the marketplace. There is thus a strong focus on outperforming competitors. Competitive aggressiveness has been interpreted by some scholars as competitive preparedness (Van Geenhuizen *et al*., 2008).

In contrast to other researchers, such as Covin and Slevin (1991: 25), it was Lumpkin and Dess's (1996: 137) contention that an organisation's competitiveness represented the level of intensity of the organisation's efforts to compete while proactiveness represented an organisation's forward-looking, leadership view of the marketplace and future demands. Slotwinski (2010: 36) concurs with this view.

Research performed by Lumpkin and Dess (2001: 446) revealed that in more mature industries, where few opportunities remain and rivalry has become very fierce, competitive aggressiveness may enhance an organisation's efforts to maintain a strong position relative to its competitors. In contrast thereto, with organisations in early industry stages, aggressive behaviours such as seeking market share position at the expense of cash flow and profitability are not likely to be associated with high performance (Venkatraman, 1989: 948).

Research findings of Knight (1997: 218) found empirically that competitive aggressiveness and risk-taking should be included in the same dimension with proactiveness when assessing entrepreneurial orientation. Antoncic and Hisrich (2001: 499) concur with this view. Therefore competitive aggressiveness has generally not been investigated so frequently as a dimension of entrepreneurial orientation, mainly due to the fact that, similar to autonomy, this dimension was

added on later by Lumpkin and Dess (1996: 140) and due to the fact that most researchers who follow the entrepreneurial orientation approach (Knight, 1997; Miller & Friesen, 1982) have not distinguished between competitive aggressiveness and proactiveness, whereas scholars that follow the corporate entrepreneurship approach (Zahra, 1993) usually ignore these two intrapreneurship dimensions.

Lumpkin and Dess (1996: 139) noted that proactiveness and competitive aggressiveness can be considered as two distinct dimensions of organisational level entrepreneurship. Such delineation is due to the fact that proactiveness relates to pioneering in seizing market opportunities whereas competitive aggressiveness is associated with an aggressive organisational relationship to its competitors. Proactiveness is thus a response to opportunities where competitive aggressiveness is a response to threats (Lumpkin & Dess, 1996: 139). Antoncic and Hisrich (2003: 18) concur with this view.

Therefore the following hypothesis will be tested further:

H^5: There is a significant relationship between competitive aggressiveness and the perceived success factors within corporate training divisions.

2.9 SUMMARY

The need for organisations to promote innovation and entrepreneurship is as a consequence of the increased competition and increasingly faster waves of technological progress, which has placed pressure on profitable growth within organisations. Although a plethora of definitions were phrased for the term entrepreneurship, there is however not a unified consensus on the definition. Over the years, many characteristics have been identified that describe the nature or features of the entrepreneur.

The definition of intrapreneurship, corporate entrepreneurship or internal venturing generally includes salaried innovators who display entrepreneurial actions within an existing organisation.

Recently more attention is being paid to entrepreneurial orientation than to corporate entrepreneurship. Many scholars consider entrepreneurial orientation to be an aspect of corporate entrepreneurship.

Researchers concur that in essence entrepreneurial orientation is measured by the constructs innovativeness, risk-taking and proactiveness, and later Lumpkin and Dess (1996: 140) included the constructs autonomy and competitive aggressiveness.

Innovativeness has been categorised as product and process innovation. Generally innovation refers to an organisation's propensity to engage in and support new ideas, novelty, experimentation and creative processes that may result in new products, services or processes.

Risk-taking is reflected by the willingness of owners or managers to commit a large percentage of an organisation's resources to new projects in pursuit of the opportunity. In essence risk-taking is venturing into unknown territory or circumstances without knowing what the results will be.

Proactiveness is when initiative is taken by anticipating and pursuing new opportunities and by participating in emerging markets. Proactiveness is included as a construct of entrepreneurial orientation since entrepreneurs will, rather than letting opportunities lay idle, rather aim at exploiting business opportunities.

Autonomy refers to employees' direction and the extent to which they are empowered to make decisions on the performance of their own work, in the way it is believed to be most effective. Autonomy may also be viewed as an internal condition that influences the organisational climate.

Competitive aggressiveness is frequently characterised by an offensive confrontational posture or an aggressive response aimed at overcoming threats in a competitive marketplace.

Strong relationships between entrepreneurial orientation and performance of organisations have been proven in the literature. Entrepreneurial orientation has further been conceptualised as a multi-dimensional construct which suggests that many dimensions would indicate an organisation as having an entrepreneurial orientation.

Similarly business performance has been identified as a multi-dimensional concept. Although the detailed discussion of the "perceived success factors of a corporate training division" is set out under section 3.6 of chapter 3, the constructs as dependent variables were identified as Kirkpatrick's (1996: 55-56) four levels of training evaluation, Phillips's (1996: 20) return on investment model of training and the dimensions of a learning organisation as specified by Garvin *et al*. (2008: 109)

The structured questionnaire used in this study to assess entrepreneurial orientation was developed by Lotz and Van der Merwe (2013: 15). The questionnaire centres on the constructs innovativeness, risk-taking, proactiveness, autonomy and competitive aggressiveness as supported by the literature and used as independent variables influencing the dependent variables of perceived success factors of corporate training divisions.

Chapter 3 will analyse the banking industry and the corporate training environment with specific focus to previous studies analysing entrepreneurial orientation within the banking industry and within corporate training divisions. The perceived success factors within corporate training divisions will also be investigated so as to clarify the dependant variables in this study.

CHAPTER 3

REVIEW OF CORPORATE TRAINING DIVISIONS WITHIN THE BANKING INDUSTRY

3.1 INTRODUCTION

The instability within the banking industry is not a new phenomenon. The banking industry in the United States of America has been instable for a period of roughly twenty years between the late 1970's to the late 1990's (Garten, 1991: 12). Overall, organisational change has been rife within the banking industry (Morris, 2007: 122). There have been approximately 8000 banking mergers from 1980 to 1998 in the United States of America, which accounted for approximately $2.4 trillion in acquired assets (Rhoades, 2000: 1). The mergers in the United States of America's banking industry is of particular importance, as fewer banks in the industry and larger size banks has as a result significant implications for competition and economic performance of the industry, which may include repercussions on prices, quality of products and services as well as efficiency of production (Rhoades, 2000: 1).

Furthermore, the United States of America's economy is of particular importance to the South African banking industry. There is a widely held view that if the "United States of America sneezes the world catches a cold" (Bayoumi & Bui, 2010: 3). Research found that systematic shocks have a significantly greater impact on stock returns in a high volatility regime than in a tranquil regime for some of the emerging markets like Indonesia, Malaysia, the Philippines, Russia, South Africa and Argentina (Suardi, 2012: 1962).

The dollar is also seen as the supreme key value currency (Wessels, 2011: 168). In the last sixty years and longer, the dollar has proven to be the vehicle currency and reigns as the invoicing currency. The economic meltdown in the United States of America may affect African countries by way of potential shortfalls in foreign direct investment and other private capital flows, a decline in tourism

revenues, weaker export revenues and financial contagion and spillovers in the stock markets (Kiptoo, 2009: 16).

Overall, the financial services sector has gone through extraordinary turmoil in the last few years (Boot, 2011: 167). Consequently stability within the financial services sector is a vital concern. According to Boot (2011: 167), the institutional and regulatory framework has been called in question. The financial crisis followed a period with extensive changes in the industry. Liberalisation, deregulation and advances in information technology had reshaped the financial landscape dramatically. Hence, the banking industry is operating within an unpredictable, turbulent milieu.

The importance of corporate training divisions within organisations is highlighted throughout the literature. In a recent study done in India, it was observed that every organisation has to have well trained and experienced staff (Karthikeyan, Karthi & Graf, 2010: 80). In a rapid changing society, employee training is not only an activity that is desirable, but also an activity that an organisation should commit resources to if it is to remain a viable and knowledgeable workforce. Research conducted by Tahir and Carlos (2010: 56) on Citibank, concluded that an increase in productivity and customer satisfaction are the main effects of training within the banking sector.

In this chapter the volatile nature of the banking industry will be investigated, as well as previous research performed to measure entrepreneurial orientation within the banking industry. The corporate training environment will be analysed and previous research reviewed on measuring entrepreneurial orientation within corporate training divisions. Lastly, the perceived success factors within corporate training divisions will be identified.

3.2 THE BANKING INDUSTRY

3.2.1 The global financial crisis

The global financial crisis of 2007 to 2009 has been associated to the great depression of 1929, due to the simultaneous deterioration of stock markets and macroeconomic variables (Baur, 2012: 2680). The sharp decline in the value of assets, real estate, prices of commodities, the collapse of a number of large banks and nonbanks as well as an increase in the level of unemployment, led the International Monetary Fund to refer to the recent global recession as ‘‘the great recession” (Moshirian, 2011: 502).

Research highlights that the crisis of 2007 to 2009 is truly global in the sense that no region or specific group of countries, such as emerging or developed markets has been immune to the shocks associated with the crisis (Baur, 2012: 2691). The global financial crisis also reduced international trade activities, introduced financial protectionism, led to capital outflows from developing countries and to a significant deterioration in the life of millions of people (Moshirian, 2011: 502). Therefore, the financial crisis has caused instability particularly in the financial services sector and banking industry, and changed the financial environment significantly.

3.2.2 Competition in the banking industry

In the era of globalisation, the competitive business environment of the banking industry is expected to intensify dramatically (Mahmood & Wahid, 2012: 583). In a recent study done in Malaysia, noticeable changes were evident in the business environment as a result of financial liberalisation and consolidation, economic transformation and with more discerning customers within the banking sector. These changes have been exacerbated by the technological advancements which allow the developments of new and more efficient delivery and processing channels as well as more innovative products and services. The electronic commerce industry is expected to be the next major technological innovation that affects the banking sector (Ratten, 2008: 111). The banking

industry is a recipient of many technology innovations, with the most important being the use of the internet to create the electronic commerce industry. Most people have mobile phones and hence it will become more common for banking consumers to use mobile phones to conduct banking. Change within the banking industry is apparent, when looking at the way in which individuals and businesses already communicate and transact using mobile and online technology (Streeter, 2011: 8).

The challenges emerging for banks include intensified competitive pressures faced not only from other banks but also from the non-traditional competitors (Mahmood & Wahid, 2012: 583). These competitors include non-bank financial intermediaries as well as the capital markets which are offering similar products and services. Boot (2011: 167) concurs with this viewpoint. The ever-changing, sophisticated needs from customers have intensified an already competitive market. In many industries, particularly service industries, such as banking and insurance, the essence of competitiveness is the processing of information (Buckley, 2009: 135).

The high level of competition between Absa; First National; Nedbank and Standard bank in South Africa is expected to continue as competition ensues nationally for customers (Greenberg & Simbanegavi, 2009: 25). In South Africa, organisations are venturing into Africa to acquire opportunities ranging from financial services to telecommunications, to agriculture and retail (Mwanza, 2005: 72). South African retail banking group, Absa's African expansion trail has resulted in the acquiring of controlling stakes in Tanzania's National Bank of Commerce; Banco Austral (Mozambique); Bank Windhoek (Namibia) and a minority stake in the Commercial Bank of Zimbabwe. Standard Bank is operational in 17 African countries (Mwanza, 2005: 72). Clearly competition within the banking industry has intensified.

3.2.3 The requirement for innovation and intrapreneurship within the banking industry

According to Streeter (2011: 8), the speed of change in business has rarely been greater. Banking sits at the centre of this challenge due to government's overreaction to the financial crisis and is hindering banks' ability to respond to marketplace changes (Streeter, 2011: 8). Banks need to stay on top of business changes and therefore the requirement of banks to be innovative is evident. Research performed by Mahmood and Wahid (2012: 590) has proven that fierce competition has created incredible pressure for banks to be more efficiently managed and becoming more entrepreneurial to achieve sustainable operations. Research findings postulate that banks in Malaysia, are not only having high entrepreneurial intensity, but entrepreneurial behaviour also contributes to sustaining competitive advantage as well as improved business performance. An entrepreneurially orientated culture could strengthen business performance within banks (Mahmood & Wahid, 2012: 590).

Dess, Lumpkin and McGee (1999: 85) affirm that intensifying global competition, corporate downsizing, rapid technological progress and many other factors have heightened the need for organisations to become more entrepreneurial in order to survive and prosper. The predictability of the banking industry with low levels of financial innovation, little innovation in distribution channels and well defined and rigid institutional structures has long passed (Boot, 2011: 267). A wealth of product innovations, new distribution channels and emerging competitors are subsequently on the rise.

Sullivan (2010: 8) contemplates how important innovation is to the business of banking today. In the United States of America the government appears to believe that financial innovations are at least partly to blame for the recent economic crisis, and to some degree, this is believed to be true (Sullivan, 2010: 8). If it was not for powerful secondary markets and instruments such as mortgage-backed securities and centralised debt obligations, the real estate bubble may have been avoided in the first place. However, Sullivan (2010: 8) is also of the opinion that innovation in financial services should remain a high

priority, particularly in the light of the changing environment in which banks must operate today.

Mahmood and Wahid (2012: 583) state that entrepreneurial activities and behaviours are critical to a bank's competitive advantage, whereby banks that encourage entrepreneurial spirit within their organisations will ensure long-term success. Therefore, innovative behaviour and expansions within the banking industry has already achieved heightened proportions leading to a need for entrepreneurship within this industry.

Therefore, according to Sebora, Theerapatuong and Lee (2010: 454), businesses in developing countries in particular should direct strategic efforts toward adopting organisational processes that facilitate entrepreneurial attitudes, thinking and behaviour. Mahmood and Wahid (2012: 583) extrapolated this thinking into the banking sector. Banks further need to create and manage an organisation where innovativeness can occur on a sustained basis. This is a fundamental competitive challenge (Mahmood & Wahid, 2012: 583). Therefore, the requirement of innovation and entrepreneurship within the banking sector remains of major importance.

3.3 MEASURING ENTREPRENEURSHIP WITHIN THE BANKING INDUSTRY

Research performed by Jones (1993: 254) postulates that as early as the seventeenth century, successful banking entrepreneurs were men who saw and anticipated the financial needs of the local cotton merchants and manufacturers in Manchester, and then set out to provide for them. It would thus appear that entrepreneurship in banking has been recorded since over 200 years ago.

Research by view of a case study conducted by Lawrence, Pazzaglia and Sonpar (2011: 401) highlighted the possible risks of entrepreneurial behaviour within the banking industry and specifically where traditional conservative and risk-averse banking values are changed to being more aggressive, risk-taking and having a speculative approach. The senior managers at Anglo Irish bank encouraged a

non-traditional banking approach through a culture of entrepreneurial risk-taking, which was conducive to speculation and aggression (Lawrence *et al*., 2011: 417).

Research measuring entrepreneurship within the banking sector is quite scant. Mahmood and Wahid (2012: 585) measured corporate entrepreneurship among banks in Malaysia. Al-Swidi and Mahmood (2011: 32) analysed how organisational culture shapes the relationship between entrepreneurial orientation and the performance of banks. Richard, Wu and Chadwick (2009: 1086) examined the entrepreneurial orientation-performance relationship as well as the impact of the chief executive officer's position and industry tenure on the entrepreneurial orientation-performance relationship within the banking industry in the United States of America. Senathiraja (2009: 226) measured corporate entrepreneurship intensity within banks in India and Sri Lanka.

Van der Merwe (2007: 89) measured the corporate entrepreneurial climate within the South African banking sector. Chaka (2006: 63) aimed to determine the factors that promote corporate entrepreneurship within First Rand bank in South Africa. Chadwick, Barnett and Dwyer (2001) assessed the relationships between entrepreneurial orientation and firm performance; and organisational culture and entrepreneurial orientation among 535 bank presidents nationally. A few of these findings will be discussed briefly.

Mahmood and Wahid (2012: 585) adopted the entrepreneurial orientation scale of Covin and Slevin (1989: 77) to measure corporate entrepreneurship within the banking industry. The research provides support that banks in Malaysia are not only having high entrepreneurial intensity, but that entrepreneurial behaviour contributes towards a sustainable competitive advantage and improving organisation performance.

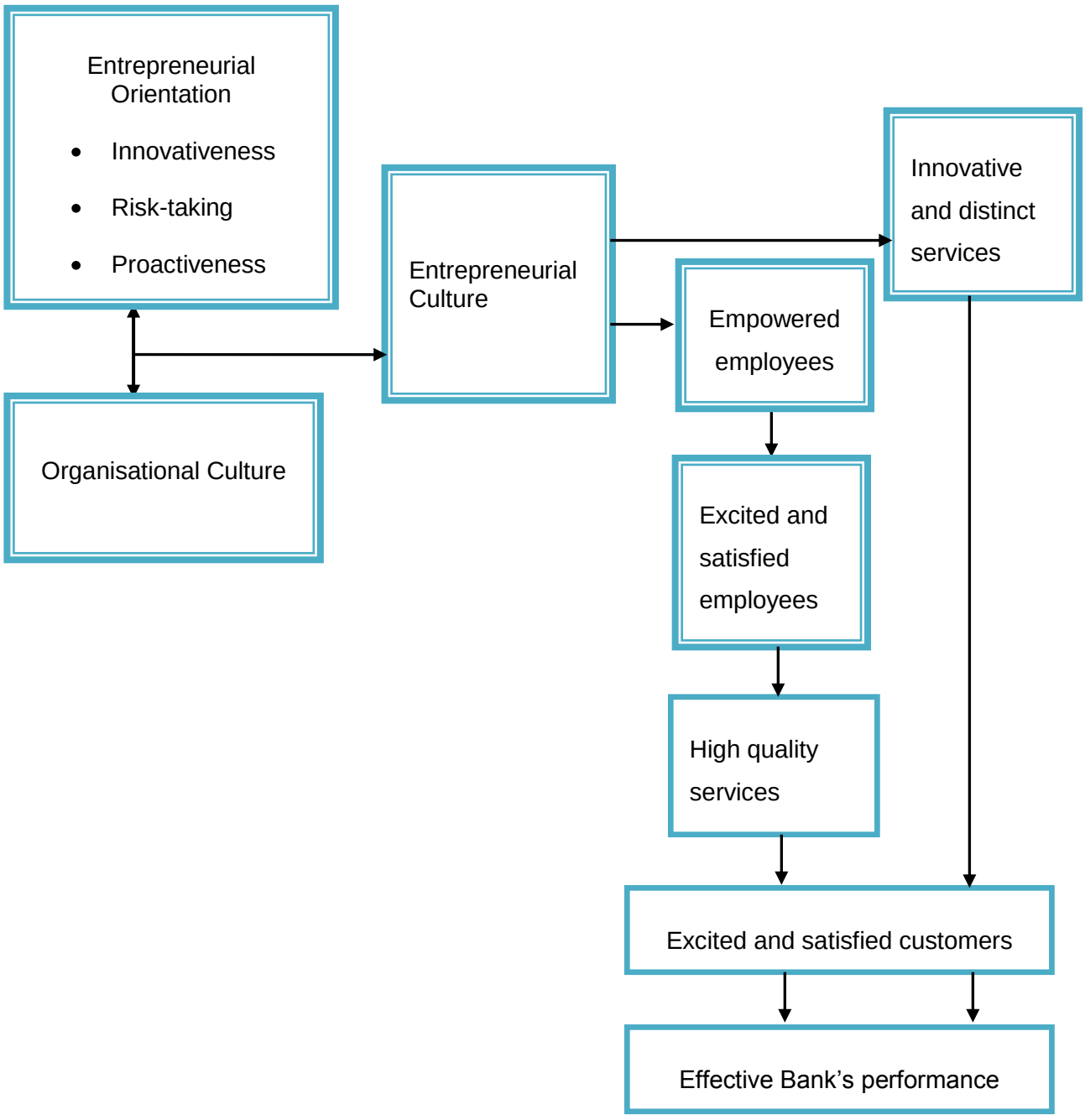
Al-Swidi and Mahmood (2011: 32) agree with the views of Mahmood and Wahid (2012: 590) in that the dimensions of entrepreneurial orientation, namely innovativeness, proactiveness and readiness to accept risks are all very important factors for banks' organisational competitiveness. Covin and Miles

(1999: 59); Zahra, Nielsen and Bogner (1999: 170); Barrett and Weinstein (1998: 68) and Lumpkin and Dess (1996: 164) all agree that the reason for the importance of these dimensions of entrepreneurial orientation, is the fact that organisations need to maintain the flexibility to get along with an uncertain and ever-changing business environment. These are key success factors affecting the performance of organisations in today's turbulent market place.

Al-Swidi and Mahmood (2011: 32) highlighted that by adopting new and innovative technology, banks will have unique process excellence that will help them produce new products and attract new customers. A framework was introduced for the interaction of entrepreneurial orientation and organisational culture (Al-Swidi & Mahmood, 2011: 40). This framework is represented in figure 3.1.

In figure 3.1 the expected outcomes of entrepreneurial culture are shown, in relation to the employees and the customers as well as the overall performance of the bank. Al-Swidi and Mahmood (2011: 40) are of the opinion that banks have to develop organisational cultures that allow them to perceive the available business opportunities and exploit them to gain customer satisfaction and loyalty. Without the establishment of this entrepreneurial culture, banks will be left behind in the marketplace. Bank management may help create a working environment that tolerate failure and perceive failure as an opportunity to build future successes. Bank management should encourage innovation, risk-taking and proactiveness and thus the creation of an entrepreneurial orientation. In essence figure 3.1 demonstrates how banks can create an entrepreneurial culture and the positive effect thereof on performance of banks (Al-Swidi & Mahmood, 2011: 40).

Figure 3.1: Entrepreneurial culture for bank branches



Source: Adapted from Al-Swidi and Mahmood (2011:40)

A study undertaken by Richard *et al*. (2009: 1086) examined the entrepreneurial orientation and performance relationship as well as the impact of the chief executive officer's position and their industry tenure on the entrepreneurial orientation-performance relationship within the banking industry in the United States of America. Only partial support was found that entrepreneurial orientation

leads to increased organisational performance. The tenure of the chief executive officer would also positively moderate the entrepreneurial orientation-performance link.

Corporate entrepreneurship intensity (CEI) was measured in banks in India and Sri Lanka (Senathiraja, 2009: 226). The objective was to assess the relationship among corporate entrepreneurship intensity, job satisfaction and innovation. Research suggests that there is a positive relationship between the corporate entrepreneurship intensity and innovation, and between corporate entrepreneurship intensity and job satisfaction (Senathiraja, 2009: 236). Results advocate that intrinsic job satisfaction has a positive influence on innovation and extrinsic job satisfaction has a negative influence on innovation.

Van der Merwe (2007: 89) aimed to measure the corporate entrepreneurial climate within the South African banking sector. The corporate entrepreneurship assessment instrument (CEAI) was used for this purpose. Management implications evident are that consultants enjoy more management support for corporate entrepreneurship than middle management and regular employees. Individuals with more experience within the banking sector in years had less time for corporate entrepreneurial activities than employees with less experience in years (Van der Merwe, 2007: 89).

Research undertaken by Chaka (2006: 62) aimed to determine the factors that promote corporate entrepreneurship within First Rand bank in South Africa. The corporate entrepreneurship assessment instrument (CEAI) was used for this purpose. Research findings indicated that corporate entrepreneurship is being promoted in First Rand bank to a certain degree. This is done in a piecemeal fashion since there is no clear corporate entrepreneurship strategy in place and shared throughout the bank.

In a study performed by Chadwick *et al*. (2001) no significant relationship was found between entrepreneurial orientation and any of the measures of

organisation performance. Empirical support was recorded for the theoretical link between organisational culture and entrepreneurial orientation.

It is therefore apparent that research appears limited with regards to assessing entrepreneurial orientation within the banking industry. Research pivots around measuring a corporate entrepreneurial climate, corporate entrepreneurial intensity, entrepreneurial culture and entrepreneurial orientation.

3.4 THE CORPORATE TRAINING ENVIRONMENT

3.4.1 Introduction

South Africa suffers from a severe skills shortage (Pillay & Wijnbeek, 2006: 29). There is an imbalance between skilled and unskilled human resources, coupled with a low productivity ratio that inhibits natural growth and employment opportunities (Gerber, Nel & Van Dyk, 1999: 3). This predicament is due to the deficient education and training system, as well as high levels of emigration of skilled staff (Pillay & Wijnbeek, 2006: 29).

The severe skills shortage within South African coupled with the high unemployment rate gave rise to the governed environment in which corporate training divisions find themselves (Anon., 2006: 2). The current unemployment rate in South Africa is 25.5% as per Statistics South Africa (2012) for the third quarter of 2012. Subsequently the SAQA (South African Qualifications Authority) and the NQF (National Qualifications Framework) were established (Anon., 2006: 2). The Employment Equity Act 55 of 1998 and the Skills Development Act 97 of 1998 require organisations with an annual wage bill exceeding R500 000 to contribute one percent of their wage bill to the skills development levy, which is managed by sectoral education and training authorities, better known as Setas (Anon., 2006: 2). Organisations can claim levies from Setas for training and development activities performed. One of the main objectives of the Skills Development Act (97 of 1998) is to develop and improve new skills in South Africa's labour force and also to help increase productivity in the workplace (Anon., 2006: 2).

South African organisations spent amounts equal to 3.11% of their payroll in 2010 on training activities and 3.60% in 2009 (ASTD, 2010: 2). This expenditure on training is significantly more than the 1% required by the Skills Development Levies Act (Act 9 of 1999) and more than the amount as reported in the United States of America industry study of 2.24 %.

A concern raised in the ASTD (2010: 3-4) state of the South African learning and development industry report, is the widely held view by respondents that top management only pays lip-service to workplace skills development, and that often training figures and funds are misrepresented. The report further highlighted the fact that the lack of adequate funding still remains an issue, although the percentage payroll engaged for learning and development compares favourably with that of the United States of America. Views were expressed that alternate sources for funding should be investigated.

The objectives of the National Qualifications Framework Act (67 of 2008) specify the ultimate intent of legislation regarding skills development within South Africa. The objectives include:

- To create a single integrated national framework for learning achievements.
- To facilitate access to and mobility and progression within education, training and employment opportunities.
- To enhance the quality of education and training.
- To accelerate the redress of past unfair discrimination in education, training and employment opportunities.

In essence the objectives of the National Qualifications Framework Act (67 of 2008) are designed to contribute to the full personal development of each learner and the social and economic development of the South African nation at large. Corporate training divisions operate against the backdrop of the legislative environment as depicted by the National Qualifications Framework as discussed.

3.4.2 Corporate training divisions within the banking industry

The Bankseta enables skills development in the financial services sector within South Africa (Bankseta, 2011: 182). The Bankseta (2011: 7) recognises the importance and opportunity to fund scarce and critical skills. In the banking sector, chartered accountancy; actuaries and financial market analysts were cited as examples of scarce and critical skills within the banking industry.

According to the Bankseta's (2011: 16) annual report 2010 to 2011, the Bankseta collected levy income of R357 million for the financial year 2010 to 2011. This compares to R328 million collected for the 2009 to 2010 financial year. An amount of R167 million (46. 8% of monies collected) was paid back in the form of mandatory grants to employers (Bankseta, 2011: 16). Therefore, nearly a half of the funds paid as skills development levies were granted back to employers.

The skills levy in the banking sector is a significant amount for which organisations within the financial services sector is struggling to show value for. According to the ASTD (2010: 3) state of the South African learning and development industry report, only nine percent of organisations measured the financial return on investment on training programs in 2004. This has increased substantially to 40% in 2008. In 2010, 39% of organisations that participated in the survey have reported that they calculate the rand value of return on investment on training programs. Therefore, this in turn means that in 2010, 61% of organisations did not calculate and could not show a return on money spent on training activities.

Supplementing the requirements of the Skills Development Act, South Africa's Financial Sector Charter provides a number of guidelines for organisations that have particular relevance to corporate training divisions operating in the banking industry. In essence, the focus is on investment in staff development over a broad spectrum of skills, with special emphasis on increasing participation of black individuals in leadership positions (Anon., 2006: 2).

Furthermore, training within the banking industry is seen as one of the critical components to improve both market share and profitability (Combs & Bourne, 1995: 6). It was proposed by Combs and Bourne (1995: 6) that in order for banks to improve market share and profitability, banks need to hire as well as train employees who are committed to adopting policies which create long-term customer satisfaction. Increased competition in the banking industry, has forced banks to change from being low-cost producers to developing and offering value-added services in various financial areas (Renaud, Morin & Cloutier, 2006: 667). Therefore, service-related training has become an important component for corporate training organisations.

Quality of customer relations and service has become the decisive factor differentiating one organisation from another and determines its survival in terms of profits (Combs & Bourne, 1995: 4). This focus on customer service has had, among other factors, the effect of making the various roles and responsibilities of banking industry workers more complex. Karthikeyan *et al*. (2010: 80) concur with the view that jobs within the banking sector are becoming more complex and hence the importance of employee training as well. A need for new skills and knowledge or competencies has been created within the banking industry (Renaud *et al*., 2006: 667).

Training within corporate organisations has benefits. Some of the benefits of training highlighted by Tahir and Carlos (2010: 56) within the banking industry included an increase in motivation; enhancement of the employee's skills; improvement of self-confidence; an increase in knowledge about products, laws and techniques as well as decreased costs; complaints and staff turnover rates. Therefore it was concluded that if training is well-designed and well received by experienced and skilled sales people it has a positive and direct impact on sales. Research performed by Galanou and Priporas (2009: 237) evaluating the effectiveness of middle managers' training programs at Emporiki bank in Greece revealed that training improves work quality. This was viewed by the change of quality of the work due to an improvement in knowledge, skill and even the attitudes necessary for the performance of the organisation. The value

contributed by training within organisations in the banking industry is therefore evident.

3.5 MEASURING ENTREPRENEURIAL ORIENTATION WITHIN CORPORATE TRAINING DIVISIONS

3.5.1 Introduction

Literature research reveals that neither entrepreneurship nor entrepreneurial orientation has been measured before within corporate training organisations. However, Mitchell (2007: 62) states that more and more innovation is needed in the design of learning environments and in the management of learning. The concept of entrepreneurial behaviour within corporate training divisions is however not entirely new. Van Adelsberg and Trolley (2009: 18) reflect on the possibility of running the training department like a business. Sussman and Kuzmits (1986: 42) consider the requirement of training and development practitioners to be entrepreneurial. Morris and Jones (1993: 890) postulate that the overall orientation of human resources management policies and the design of particular human resources management practices have an impact on the level of entrepreneurship demonstrated in the organisation. Some of these stances will be viewed closer.

3.5.2 Running the training division like a business

Van Adelsberg and Trolley (2009: 18) contemplate what many training divisions have deliberated, namely whether it would not make more business sense to run the training division like a business. However, corporate training departments are distanced from business (Van Adelsberg & Trolley, 2009: 18). The corporate training department has its roots in education, but its focus on mastering training content whereas most business leaders equate learning with improved job performance.

Van Adelsberg and Trolley (2009: 18) commented that although training divisions have worked hard to move closer to business mainstream, a gap still clearly

exists in that training divisions should move closer to deliver unmistakable value to business.

Five keys are mentioned to connect training divisions to the business (Van Adelsberg & Trolley, 2009: 19). They are:

1. Consider whether the learning and development function fits clearly into the corporate strategy of the organisation.
2. Recognise the differing values between training and business executives.
3. Retain the best of training's traditional approach while moving decisively closer to the customer's business values.
4. Make measurement part of a broader organisational strategy to build executives' confidence in the learning and development function.
5. Encourage training people to think and act more like business people.

Van Adelsberg and Trolley (2009: 13) is of the opinion that the training division should be seen as an enterprise, rather than a function. Being an enterprise means a readiness to engage in daring action and having initiative - an undertaking that is difficult or risky. This may be compared to the constructs of entrepreneurial orientation of innovativeness and risk-taking according to Lumpkin and Dess (1996: 142-144).

3.5.3 The requirement of human resources professionals to be more entrepreneurial

The requirement of training practitioners to be entrepreneurial is not a new phenomenon. In an article by Sussman and Kuzmits (1986: 42) the necessity for human resources development professionals to be more entrepreneurial was highlighted. Sussman and Kuzmits (1986: 42) advocate that organisations that flourish are characterised by functional units having an entrepreneurial spirit and entrepreneurial orientation. Human resources development employees need to move from being reactive and the organisation's schoolteachers to being proactive and business partners in achieving corporate goals. For human

resources development employees to move to an entrepreneurial model, a culture change is however necessary.

This cultural change centres on four changes, namely: service; action; image and expertise (Sussman & Kuzmits, 1986: 43-44). The cultural changes will each be considered.

Service-driven: Instead of being specialist gap-closers, the human resources development specialist needs to focus on service. The human resources specialist should be seen as a professional whose activities will enable the organisation to better serve consumers and clients (Sussman & Kuzmits, 1986: 43-44).

Action: To become entrepreneurial, human resources development professionals should do more than respond to requests. Needs should be anticipated proactively and programs designed and developed to fill the needs. The human resources development function may even consider marketing the programs to external parties (Sussman & Kuzmits, 1986: 43-44).

Image: The human resources professional should not accept a subservient role and display self-respect to develop an aura of respectability that labels the professional as the in-house expert of designing and conducting performance improvement programs (Sussman & Kuzmits, 1986: 43-44).

Expertise: The human resources professionals should stick to the performance problems that are solvable and should not try and solve all the performance problems of the organisation (Sussman & Kuzmits, 1986: 43-44).

The comparative model of the human resources development function to operate as an entrepreneurial function rather than an administrative one is depicted in table 3.1.

Table 3.1: Human resources development - administrative versus entrepreneurial functions

Dimension	Human resources as administrative function	Human resources as entrepreneurial function
Self-perceptions of human resources development employees	In-house educators. Support line and staff personnel, second class citizens.	Internal/external boundary spanners, support direct link with marketplace, first-class citizens.
Others' perceptions of human resources development staff	Remedial teachers, staff support, reactive managers, cost-centre.	Problem-solvers, proactive managers, profit center, resource/maintenance center.
Mission/Goal	Define and close performance gaps.	Seek, fulfill, and create opportunities for organisational members to better serve their customers.
Relationship with other functions	Reactive, cautious, dependant.	Proactive, risk-taking and interdependent.
Strategies/Plans	Short-term, linked to and dependent on corporate budget.	Long-term, strategically linked with corporate goals.

Source: Adapted from Sussman and Kuzmits (1986: 43)

The key dimensions necessary to build the human resources development function as an entrepreneurial function rather than an administrative function, focuses on a positive self-perception linked with the marketplace, coupled with a proactive approach focusing on attaining corporate goals (Sussman & Kuzmits, 1986: 43-44). Employees within the human resources function are professionals concerned with solving productivity problems and they are seen as business partners in achieving corporate goals. The ultimate goal should be to enable employees to serve customers better and providing a better product or service to the marketplace (Sussman & Kuzmits, 1986: 43-44). Long term plans are created based on budgets and goals developed through negotiations with upper management. The relationship with other functions should also be proactive, and interdependent (Sussman & Kuzmits, 1986: 42).

In a study conducted by Morris and Jones (1993: 890) it was found that the human resources management function plays a critical role in the formulation and implementation of corporate strategy within the organisation. Evidence was provided that the overall orientation of human resources management policies as well as the design of particular human resources management practices has an impact on the level of entrepreneurship demonstrated within the organisation (Morris & Jones, 1993: 890).

Frank *et al*. (2010: 175) found a positive relationship between entrepreneurial orientation and the performance of the organisation. In the next section the performance of corporate training organisations will be considered in the form of perceived success factors.

3.6 PERCEIVED SUCCESS FACTORS OF CORPORATE TRAINING DIVISIONS

3.6.1 Introduction

The perceived success factors of corporate training divisions that will be investigated further in this section includes the success factors as surveyed among 96 chief executive officers of Fortune 500 organisations (Phillips & Phillips, 2009: 48); the Kirkpatrick (1979: 78) training evaluation model; the Phillips' (1996: 20) return on investment model and the requirements of a learning organisation as postulated by Garvin *et al*. (2008: 109).

3.6.2 Measures of learning success

In a survey among 96 chief executive officers of Fortune 500 organisations aimed at obtaining direct feedback about the success of training divisions, the following measures of success were analysed (Phillips & Phillips, 2009: 48) namely input; efficiency; reaction of learners to the learning intervention; learning; application; impact; return on investment and awards.

Phillips and Phillips (2009: 48) describe the measures as follows. Inputs refer to the number of employees attending training in a year. Efficiency refers to the formal learning cost per hour of learning consumed. Reaction of learners refers to general reaction to the learning intervention. Learning is an indication whether a growth in knowledge and skill has taken place. Application measures whether learning and skills have been used on-the-job. Impact determines whether learning programs are driving relevant business measures, and awards refer to the winning of any awards due to conforming to best practices. Reaction, learning, application and impact correspond to the training evaluation measures, as purported by Kirkpatrick (1979: 78).

The results of the survey are shown in table 3.2 below:

Table 3.2: Results on specific measures of learning success

Training measure	Currently being measured by the CEOs	CEOs recognised should be measured in future	CEO ranking of measure of importance of training measure
Inputs	94%	86%	6
Efficiency	78%	82%	7
Reaction	53%	22%	8
Learning	32%	28%	5
Application	11%	61%	4
Impact	8%	96%	1
ROI	4%	74%	2
Awards	40%	44%	3

Source: Adapted from Phillips and Phillips (2009: 48)

From this study it is evident that the chief executive officers regard impact of programs, whether training is driving and supporting business measures aligned to business goals and strategy, as the most important measure of success of learning and development efforts. This is followed by return on investment, awards obtained, application of skills on-the-job and whether delegates have learnt knowledge and gained skills during training. The success measures as

specified by Phillips and Phillips (2009: 48) concur with the classic four-level approach to evaluating training that was originally published by Kirkpatrick in 1959 (Kirkpatrick, 1979: 78) as well as the addition of return on investment by Phillips (1996: 20) to the evaluation model of Kirkpatrick (1996: 55-56). Although the work of Kirkpatrick (1979: 78) and Phillips (1996: 20) measure the value of training on a program level, for purposes of this study, and congruent to the research by Phillips and Phillips (2009: 48), program evaluation is extrapolated to denote the success of a training division.

3.6.3 Kirkpatrick's training evaluation model

Many learning and development professionals have used the four levels of training evaluation over the years. According to Biech (Bingham, 2011: 13), the four levels of program evaluation are the gold nuggets that learning and development professionals use worldwide to demonstrate the strategic value of training. According to Palan (Bingham, 2011: 13), very few can claim to have influenced the training profession in the way Kirkpatrick has. It is apparent that the four levels of training evaluation are still widely used today (Kirkpatrick, 2007: 35). Kirkpatrick's model offers a constant reminder that the measurement and evaluation strategy of training needs to be fully aligned with the organisation's goals and strategies (Kirkpatrick & Kirkpatrick, 2009: 22).

Brown and Eggers (2005) has used the Kirkpatrick model to determine the impact of a management development program. Pehrson, Sorensen and Amer-Wahlin (2011: 926) found that training was associated with improvements on all four Kirkpatrick levels. Liberman (2006: 42) advocates the use of the Kirkpatrick model to measure the value of training programs. Pickworth and Snyman (2012: 59) used the Kirkpatrick model to change assessment practices in dental education.

However, criticisms against the Kirkpatrick evaluation model have also been raised. Bates (2004: 342) is of the view that the Kirkpatrick model presents an oversimplified view of training effectiveness that does not consider individual or contextual influences in the evaluation of training. Research has also largely

failed to prove the causal linkages between the levels of evaluation as postulated by Kirkpatrick. Alliger and Janak (1989: 340) question three assumptions made by Kirkpatrick, namely that each succeeding level is more informative than the next; that each level is caused by the preceding level and that each succeeding level is correlated with the preceding level.

Research however; found that training reactions have direct and positive influences on learning, behaviours and organisational commitment (Lin, Chen & Chuang, 2011: 935). Empirical results also indicated that the use of training materials at work is positively related to achieving sales training outcomes such as improving organisational commitment, sales effectiveness and customer relations (Leach & Liu, 2003: 327). Trainees who had positive reactions to training were more likely to learn the material and trainees with higher levels of knowledge retention were more likely to apply the materials in the work environment.

One of the major criticisms against the Kirkpatrick training evaluation model is the outlook that learning occurs through events (Pontefract, 2011). The argument is that learning is a continuous process and that formal events contribute only a small percentage to the whole training experience. The Kirkpatrick model of training evaluation is still the most widely accepted and used among all training evaluation models, as it is simple, complete, clear and easy to execute as training evaluators expect (Lin *et al*., 2011: 928). The model is therefore still widely used in academic and business circles.

Kirkpatrick (1979: 89) postulated that reaction of participants to the learning, measuring knowledge and skills acquired, and application in the workplace is the starting point for measuring the impact of learning programs. Over the years much has happened in the writings about and teaching training evaluation, however the content has remained basically the same.

Enhancements to the model in 2006 (Kirkpatrick & Kirkpatrick, 2009: 21) placed more emphasis on level four results. In their opinion the best way to use the

model is to start with level four results and work backward so that training efforts are focused on the desired business results, providing support for the necessary behaviours to achieve them. Kirkpatrick and Kirkpatrick (2011: 61) named this measuring approach the return on expectations. Basically it is starting with the end in mind, and defining what success will look like at the start of the process (Kirkpatrick & Kirkpatrick, 2009: 55). Each of the levels of training evaluation will be discussed further.

Learner reaction

Kirkpatrick (1979: 78-81) defined learner reaction as measuring the feelings of learners attending the training program. Reactions to the subject, the techniques used in training as well as the performance of the trainer is determined as part of this level. For maximum learning, interest and enthusiasm should be obtained, content should be made interesting and trainees motivated to want to learn (Kirkpatrick, 1979: 81).

The process steps will now be discussed that forms part of the reaction level of training evaluation (Kirkpatrick, 1979: 81). The desired feelings of the learners should be determined up front. A written comment sheet should be used measuring the desired outcomes in such a way that the comments may be tabulated and quantified. Honest reactions should be obtained from learners by making the reaction sheets anonymous. Learners should be encouraged to write in additional comments not covered by the questions. The reaction sheets should be used to determine patterns of reactions and to make improvements to training programs. Ideally the reaction sheets should be given to learners at the beginning of the program and suggestions may be used to improve the last section of the training program. The reaction sheet should also be given to the training coordinator, training director or a trained observer to complete so that comparisons to learner reactions may be drawn.

The following guidelines were added later on by Kirkpatrick (1996: 57) in terms of evaluating learner reaction. Immediate response rates of one hundred percent

should be attained on learner reaction. Acceptable standards should be developed against which to assess learner reaction. The learner reactions should be communicated as appropriate.

Kirkpatrick (1979: 81) noted that even if positive reactions or feelings about training is observed, it is still no guarantee that learning has taken place or that participants' behaviours will change because of the training program. No results yet may be attributed to the training program during this level of training evaluation.

Learning

Learning is defined as the principles, facts and techniques that were understood and absorbed by the learners (Kirkpatrick, 1979: 82). The guidelines to assist in determining whether learning has taken place will now be considered.

Kirkpatrick (1979: 82) postulated that the learning of each participant must be measured so that quantitative results can be determined. A pre- and post-test should be administered during the learning level so that learning may be related to the training program. The learning should be measured on an objective basis. Where it is practical, comparisons to a control group should be used (not receiving training) to compare with the group that did receive training. The learning results should be analysed statistically so that learning can be proven in terms of correlation or level of confidence.

Kirkpatrick (1996: 57) again added some guidelines later on in terms of evaluating learning. Knowledge, skill and/or attitudes should be measured as part of evaluating learning. A hundred percent response rate should be obtained. The results of the learning should be used to take appropriate action, such as improving the learning material or process, or communicating the learning results for example.

Kirkpatrick (1979: 83) recommended written assessments, role-plays and observation as possible ways in which to assess if learning has taken place. Pre-tests are not only useful to determine if learning has taken place, but may also provide the facilitator with some tips and understanding of the knowledge of the group prior to training (Kirkpatrick, 1979: 84). The facilitator may then stress those items mostly misunderstood. The pre-learning test, when statistically compared to the post-test will give an indication of the learning that has taken place. The test should however cover all the material presented.

Learner behaviour

Learner behaviour on-the-job is more difficult to determine than reaction or learning (Kirkpatrick, 1979: 86). Katz (1956: 66) stated that if a person is to change job behaviour, five basic requirements must exist, namely they must have the willingness to improve; they must recognise their own weaknesses; they must operate in a permissive environment; they must have some help from someone who is skilled and interested and they must have the opportunity to try out new ideas.

Kirkpatrick (1979: 86) defined some guideposts to assist with evaluating behaviour or application in the workplace. A systematic appraisal should be made of on-the-job performance before as well as after training has occurred. The appraisal of on-the-job behaviour should be made by one or more of the following groups: the person receiving training; the supervisor(s); the subordinates; the peers or others thoroughly familiar with the performance of the learner. Statistical analysis should be made before and after training to assess the performance and relate the change in performance to the training program. The post-training appraisal should be made at least three months or more after the training so that the learners will have the opportunity to put in practice what has been learnt. A control group should be used where feasible to compare against those who has not received training.

Kirkpatrick added a few more guidelines later on to the evaluation of application in the workplace (Kirkpatrick, 1996: 57). An appropriate sampling should be used when determining the change in on-the-job behaviour. Evaluation should be repeated at appropriate time intervals. The cost versus benefits should be considered before launching into behaviour change evaluation.

Business results

The objectives of most training programs may be stated in terms of business results desired (Kirkpatrick, 1979: 89). Business results may include reduction of costs, reduction of staff turnover and absenteeism, reduction of grievances or an increase in quality and quantity of production, as examples. Kirkpatrick (1979: 89) mentioned a word of caution in that the separation of variables dictates that the question arises of how much of the improvement in business results, is due to training as compared to other factors. In a few attempts researchers have segregated other factors that may have an impact on business results (Kirkpatrick, 1979: 92). The reaction of learners, learning acquired and increase in on-the-job performance should be assessed as part of assessing the business results of training programs.

Additional guidelines stipulated by Kirkpatrick (1996: 57) follows. A control group needs to be used, where feasible, comparing business results to a control group that did not receive training. Enough time should be allowed for application in the workplace so that business results may be achieved. The business results measure should be repeated at appropriate times. The costs versus benefits should be considered before launching a business results evaluation. If absolute proof is not possible to attain, one should be satisfied with the evidence that training led to an increase in business results.

3.6.4 The Phillips' return on investment model

Phillips (1996: 20) expanded on the four levels above, by converting the results of training to a monetary value and comparing this to the cost of the learning programme. Phillips therefore advocated the calculation of the return on

investment of learning programs. In a recent study done in India (Srimannarayana, 2011: 125) on the measures to be used to evaluate training and development, it was found that although learning professionals are aware of the value of measuring return on investment, they are not being used to evaluate training programs. Performance improvements made after training is considered as the most valuable measure for training, but feedback from learners (learner reaction) are measured routinely (Srimannarayana, 2011: 121-122).

Phillips (1996: 20) advocates that evaluation on the effectiveness of training is not complete until the return on investment calculation has been done and the training results have been converted to a monetary value and compared to the cost of the training program.

There are various steps involved in the formula advocated by Phillips (1996: 22) regarding measuring return on investment in training. The business results level data needs to be collected for the return on investment level. It is pertinent to ask whether on-the-job application produced measurable results. The effects of training should be isolated from other factors that may have contributed to the results. Furthermore, the results should be converted to monetary benefits and the total cost of training should be determined. Monetary benefits should be compared with the costs of training and non-monetary benefits should be presented as additional evidence of the learning program's success.

Phillips (1996: 20) states that hard data is highly credible and represents the following areas of work process: output, quality, time and cost. Soft data has to do with developing soft skills, like communication and preventing employee absenteeism and employee turnover which are subjective, as it has to do with behaviour and is difficult to measure and convert to monetary values. Generally soft data is less credible.

Phillips (1996: 22) has depicted five steps to convert hard or soft data into a monetary value:

1. Focus on a single unit of improvement. For hard data, use a particular unit of improvement in output, such as sales or quality as in reworks or product defects. A single unit of soft data may be one point change in the customer service index for instance.
2. A value needs to be determined for each unit of measurement.
3. The performance change in the soft or hard data needs to be calculated and any other potential influences, other than training-related, needs to be ruled out.
4. The performance change in units needs to be annualised.
5. The annual value needs to be determined by taking the annual performance change and multiplying this by the unit value. The return on investment is reflected as the net annual value of improvement less the costs of the training program.

The guidelines as stated by Phillips (1996: 24) for evaluating return on investment in training will now be considered. A conservative approach needs to be taken when making estimates and assumptions. The most credible and reliable sources should be used for estimates. The approaches and assumptions used in conversions need to be explained. It should be considered to adjusting the numbers to achieve a more realistic value in cases where the results appear overstated. Hard data should be used whenever possible.

3.6.5 The requirements of a learning organisation

The requirement of organisations to focus on becoming a learning organisation is prevalent in research today (Weldy, 2009: 60). A common thread within most of the definitions includes three components, namely learning, changing and improving (Weldy, 2009: 60). Learning includes gaining new knowledge, continuous learning, learning from mistakes and learning by all members of the organisation. Change includes changes in behaviour and changes in the processes used, based on the knowledge gained. Improvement includes

improvements in individual performance and organisational performance from actions taken as a result of the learned information.

The most widely accepted definition for a learning organisation was posited by Senge (1990: 3) who stated that learning organisations are organisations where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspirations are set free and where people are continually learning to learn together.

With tougher competition, technology advances and changing customer preferences, it is more critical than ever that organisations strive to become learning organisations (Garvin *et al*., 2008: 109). In a learning organisation employees continually create, acquire and transfer knowledge, helping their organisation adapt to the unpredictable faster than competitors can. Research performed by Small and Irvine (2006: 286) aim to expand on an existing tool to include learning organisation conditions as they occur through dialogue between individuals within an organisation, with an emphasis on social learning theory. The use of this tool will assist to create a learning organisation.

Three conditions for a learning organisation are reflected in research namely that learning is a continuous process, people must be developed and customers need to be listened to (Small & Irvine, 2006: 286). Garvin *et al*. (2008: 109) have specified three building blocks for a learning organisation:

1. Supportive learning environment.
2. Concrete learning processes.
3. Leadership that reinforces learning.

Advancement in the application of the Kirkpatrick four level model (Kirkpatrick & Kirkpatrick, 2009: 55) is the recognition of the importance of drivers, reinforcers or enablers or learning. These are the processes and systems that reinforce actions, monitor procedures and encourage or reward performance of critical

behaviours on-the-job. Without these drivers, that may be equated to the establishment of supportive learning environment, concrete learning processes and leadership that reinforces learning, only about fifteen percent of what is learned is applied (Kirkpatrick & Kirkpatrick, 2009: 55).

Supportive learning environment

Supportive Learning Environment according to Garvin *et al*. (2008: 109) refers to an organisation in which employees feel safe disagreeing with others, asking naive questions, owning up to mistakes and presenting minority viewpoints. In a supportive learning environment, the value of opposing ideas is recognised, risks are taken and the unknown explored. Time is taken in a supportive learning environment to review organisational processes.

Concrete learning processes

According to Garvin *et al*. (2008: 109), concrete learning processes refer to a team or organisation which has formal processes for generating, collecting, interpreting and disseminating information. New offerings are experimented with and intelligence on competitors, customers and technological trends are gathered. Problems are identified and solved and employees' skills are developed (Garvin *et al*., 2008: 109).

Leadership reinforces learning

Leadership that reinforces learning (Garvin *et al*., 2008:109) includes organisational leaders that display a willingness to entertain alternative viewpoints; signal the importance of spending time on problem identification, knowledge transfer and reflection as well as engage in active questioning and listening.

3.7 SUMMARY

Banking has operated within an instable and volatile environment for a number of years. The precariousness within the United States of America's economy is of particular importance to the South African banking industry, as there is a widely held view that "if the Unites States of America sneezes, the world catches a cold". Another point of instability within the banking sector includes the global financial crisis where no region or specific group of countries has been immune to the forces associated with the crisis.

The intensity and face of competition within the banking sector has also changed. Interbank competition has increased and banks face increasing competition from non-banking financial institutions and the financial markets. A wealth of product innovations, new distribution channels and emerging competitors are on the rise. Mobile and online technology has changed the way in which banks operate and provide products and services. Instability and a requirement of financial innovation and entrepreneurship within the industry is the consequence.

Entrepreneurship in banking has been recorded since over 200 years ago. There is however risks involved with employing entrepreneurial behaviour within the banking sector. Care must be taken that a culture of entrepreneurial risk-taking does not lead to speculation and aggression.

Research measuring entrepreneurship within the banking sector is quite limited. Research performed includes the measuring of corporate entrepreneurship, corporate entrepreneurial climate and corporate entrepreneurship intensity. It was found that entrepreneurial behaviour contributes towards a sustainable competitive advantage and improves business performance.

The importance of corporate training divisions within organisations is also highlighted throughout the literature. Employee training is necessary to remain a viable and knowledgeable workforce. The main effects of training in the banking sector are an increase in productivity and customer satisfaction. The value

contributed by corporate training divisions within the banking sector is therefore apparent.

Corporate training divisions within the banking industry in South Africa operate within a tightly governed environment. This lies against the backdrop of South Africa that is trying to deal with the severe skills shortage and a deficient education and training system. Large skills levies are collected for which corporate training divisions are finding it difficult to show value for.

Entrepreneurship has not been measured before within corporate training organisations. However, the concept of entrepreneurial behaviour within corporate training divisions is not entirely new. The requirements to run the training department like a business were discussed as well as the requirement of learning and development practitioners to be more entrepreneurial. Evidence was also provided that the overall orientation of human resources management policies as well as the design of particular human resources management practices has an impact on the level of entrepreneurship demonstrated within the organisation.

Research regarding success factors of corporate training organisations revealed that the classic four-level approach to evaluating training that was originally published by Kirkpatrick in 1959 is still valid today. This includes reaction to the training, knowledge and skills improved or attitudes changed during training, change in on-the-job behaviour and final business results that improve due to training, for instance increased sales, higher productivity, bigger profits, reduced costs, less employee turnover and improved quality. Phillips' addition to the four level evaluation model still applies today which converted the results of training to a monetary value and compared this to the cost of the learning programme.

The requirement of organisations to focus on becoming a learning organisation is prevalent in research today. A supportive learning environment, concrete learning processes and practices as well as leadership that reinforce learning have been seen as benchmarks for a successful learning organisation.

In the next chapter, the results of the empirical study and discussion will take place.

CHAPTER 4

RESULTS AND DISCUSSION OF THE EMPIRICAL STUDY

4.1 INTRODUCTION

Chapter four discusses and analyses the findings from the empirical study. Empirical research may be divided into three sections, namely measurement, research design and analysis. Measurement uses constructs as obtained from the literature study to acquire scores that are indicative of the concepts studied. Research design establishes procedures on how to obtain respondents and determines how scores are obtained on measures. Analysis is performed to describe the scores on single measures and specifically to identify relationships that may exist between scores across different measures.

The objectives of this research study have been stated clearly in chapter one together with the formulation of the problem statement. The literature study revealed the variables or constructs suggestive of an entrepreneurial orientation within an organisation as well as the variables or constructs indicative of the success factors of corporate training divisions. The empirical study had as its aim to determine the extent of the correlation between the independent variables, namely the constructs suggestive of an entrepreneurial orientation and the dependant variables, namely the success factors of corporate training divisions.

This chapter endeavours to present the results of the empirical study in relation to the research objectives as set out in chapter one as well as to present the results in relation to the broader problem statement. The methodology and processes followed with the gathering of the data will be discussed in the next section.

4.2 DATA GATHERING PROCESS

The empirical study was done by using and adapting a questionnaire developed by Lotz and Van der Merwe (2013: 15) to measure entrepreneurial orientation within the corporate training divisions of selected South African banks. A

questionnaire was also developed to measure the success factors of corporate training divisions by referring to the training evaluation measures, as identified by Kirkpatrick (1996: 56) and Phillips (1996: 20). Constructs from a learning environment according to Garvin, *et al*. (2008: 109) was also worked into the success factors of corporate training divisions. An example of the questionnaire can be found in Appendix 1.

The questionnaire consisted of the following sections:

Section A measured the entrepreneurial orientation of employees within the corporate training division of the selected South African banks.

Section B measured the selected success factors within corporate training divisions.

Section C depicted data from respondents regarding their profiles and characteristics. The respondents' age, gender, race, highest academic qualification and grading within the organisation were gathered.

The population consisted of a total of 1075 employees working in the corporate training divisions within Absa bank; First National bank; Nedbank; Standard bank; African bank; BankservAfrica; Bidvest; Capitec; Development bank of South Africa; Investec; Land bank; Mercantile; Sasfin and the South African Reserve bank. Employee grades ranged from general staff, junior management, middle management and senior management to executives.

The electronic medium that was used for the gathering of the data is Questionmark™ Perception™. The questionnaire was distributed to the target population through the skills development facilitators of the various banks. The research department of the Bankseta provided the names and e-mail addresses of the skills development facilitators within the banks. The skills development facilitators were all e-mailed and the intended research set out. The skills development facilitators were asked to obtain agreement from their heads of

learning that the research may be conducted. The questionnaire was included in the e-mail in Word format. No objections to the research were received from any of the skills development facilitators.

A follow up e-mail was sent to the skills development facilitators, referring to the previous correspondence and including the link to the electronic survey on the internet to be completed by all employees in the corporate training divisions. Two URLs were used for the survey: one for the leading four banks, namely Absa bank; First National bank; Standard bank; Nedbank and another for all the other banks namely, BankservAfrica; Bidvest; Capitec; Development bank of South Africa; Investec; Land bank; Mercantile; Sasfin and the South African Reserve bank.

The skills development facilitators distributed the e-mail to the employees within the training divisions of the banks. The questionnaire was made available for a total of four weeks with constant follow-up as to the completion rate of the questionnaires as well as with phone calls to the skills development facilitators, so that respondents that did not complete the questionnaire could be asked to consider completing it.

The data gathering process proved to be very difficult as not all skills development facilitators could be reached per telephone, and many follow up e-mails were sent. A network of colleagues within these banks was also used to supplement the initial mails, and separate mails were drafted to these colleagues to distribute the mail with the link to the questionnaire, to fellow colleagues within the training departments of the banks under review.

The survey was also placed on LinkedIn as well as on the Learning and Development Community of Practice, South Africa website for completion by any employees within corporate training divisions within the banks under review as part of the survey.

4.3 RESPONSES

From the target population of 1075 a total of 291 responses were received. The leading four banks, namely Absa bank; First National bank; Standard bank and Nedbank completed a total of 241 responses out of 858 (28.09%) and the other banks namely BankservAfrica; Bidvest; Capitec; Development bank of South Africa; Investec; Land bank; Mercantile; Sasfin and the South African Reserve bank a total of 50 responses out of 217 (23.04%). This is an overall response rate of 27.07% which, according to Field's (2009: 98) equation is an adequate sample size. The relatively poor response rate concur with Welman *et al*. (2010: 153) that stated that the response rate to mail surveys tend to be meagre.

Welman *et al*. (2010: 153) further cautioned that respondents may omit questions or get someone else to complete the questionnaire. However the way in which the questionnaire was designed in Questionmark™ Perception™ ensured that respondents could not submit the questionnaire on the internet unless all the questions were answered. This resulted in the ability to use all the questionnaires as submitted. Davis (2005: 279) cautioned that although mail surveys allow the researcher to reach a geographically dispersed sample at a relatively low cost as well as offer confidentiality and anonymity, there is little control over the response rates. The results to the questionnaire were downloaded onto an Excel spreadsheet.

4.4 BIOGRAPHICAL INFORMATION OF RESPONDENTS

Biographical information of all respondents was recorded to determine whom the study deals with. The demographics determined for the respondents included: age, gender, race, grading and academic qualification.

4.4.1 Age group classification of the respondents

- Purpose of the question

The purpose of question C01 (refer to Appendix 1) is to determine the age group classification of the respondents participating in the survey. The results were predefined to five age groups.

- Results obtained

Table 4.1 presents the age group classification of all the respondents to the survey.

Table 4.1: Age group classification

Age group	Total	Percentage
Younger than 29 years of age	57	19.6%
Between 30 and 39 years of age	134	46.0%
Between 40 and 49 years of age	66	22.7%
Between 50 and 59 years of age	32	11.0%
60 years and older	2	0.7%
Total	291	100%

- Analysis of the results

The majority of respondents (46%) were between 30 and 39 years of age. Only 0.7% of the respondents were 60 years or older and probably nearing retirement within the corporate training organisations. A total of 22.7% of the respondents were between 40 and 49 years of age with 19.6% being younger than 29 years of age. Only 11% of the respondents were between 50 and 59 years of age.

4.4.2 Gender

- Purpose of the question

The purpose of question C02 (refer to Appendix 1) was to determine and differentiate between the number of male and female participants. The respondents had to select between male and female in the questionnaire.

- Results obtained

Results of the question answers are depicted in table 4.2 which indicates the ratio of male and female respondents.

Table 4.2: Gender distribution

Gender	**Total**	**Percentage**
Male	86	**29.6%**
Female	205	**70.4%**
Total	291	**100%**

- Analysis of the results

Table 4.2 indicates that only 29.6% of respondents were male and 70.4% were woman, proving that there are more female than male employees within corporate training divisions within the banking industry in South Africa.

4.4.3 Race

- Purpose of the question

The purpose of question C03 (refer to Appendix 1) was to determine and differentiate between the different race groups of the respondents.

- Results obtained

The results of the race group question are depicted in table 4.3.

Table 4.3: Race group

Race	**Total**	**Percentage**
Black	71	24.4%
White	131	45%
Indian	35	12%
Coloured	54	18.6%
Total	291	100%

- Analysis of results

The majority of respondents are White (45%). The Black respondents totalled 24.4% with the Indian respondents 12% and the coloured respondents 18.6%.

4.4.4 Grading within the organisation

- Purpose of the question

The purpose of question C04 (see Appendix 1) is to determine the level of the respondent within the corporate training division.

- Results obtained

The results of the question “Indicate your grading within the organisation” as obtained, are depicted in table 4.4.

Table 4.4: Grading within the organisation

Grading	Total	Percentage
General staff	125	43%
Junior management	82	28.2%
Middle Management	57	19.6%
Senior Management	24	8.2%
Executive	3	1.0%
Total	291	100%

- Analysis of results

The majority of respondents (43%) are general staff. The junior management consisted of 28.2%, the middle management 19.6%, the senior management 8.2% and the executives 1%.

4.4.5 Highest academic qualification

- Purpose of the question

It is necessary to determine the highest educational levels of the respondents within the corporate training divisions as knowledge, skill and education may be factors that could impact on the success of the training division. Respondents could choose from six different education levels: lower than matric, matric, certificate, diploma, degree or post-graduate degree.

- Results obtained

The results of the question “Highest academic qualification” as obtained are depicted in table 4.5.

Table 4.5: Highest academic qualification

Qualification	Total	Percentage
Lower than matric	1	0.3%
Matric	40	13.7%
Certificate	63	21.6%
Diploma	73	25.1%
Degree	47	16.2%
Post-graduate degree	67	23%
Total	291	100%

- Analysis of results

Only 0.3% of respondents did not have a matric qualification. There is quite an even distribution between the rest of the education levels with 13.7% with matric, 21.6% with a certificate, 25.1% with a diploma, 16.2% with a degree and 23% with a post-graduate degree. The results show that people of all education levels work within corporate training divisions, but it would appear that matric may be a pre-requisite.

4.5 RESULTS OF ENTREPRENEURIAL ORIENTATION WITHIN CORPORATE TRAINING DIVISIONS

4.5.1 Construct validity and reliability of the questionnaire

To assess the discriminant validity of the 27 items measuring the entrepreneurial orientation of employees within corporate training divisions of selected South African banks, an exploratory factor analysis was conducted. Two tests, namely Bartlett's test of sphericity and the Kaiser-Meyer-Olkin measure of sampling adequacy were considered important in determining the appropriateness of the data for factor analysis (Gürbüz & Aykol, 2009: 327). The data measuring the entrepreneurial orientation yielded a sampling adequacy of 0.943 and the Bartlett's test of sphericity yielded a *p*-value of smaller than 0.001, indicating that

patterns of correlations are compact and that factor analysis should yield reliable factors (Field, 2009: 647).

4.5.2 Factor analysis

An Oblimin oblique rotation was performed on the principal components of the exploratory factor analysis. To determine the number of factors to be extracted, Kaiser's criterion was used, namely to retain factors with eigen-values greater than one (Field, 2009: 647). A total of 26 items demonstrated sufficient discriminant validity by loading to a sufficient extent. The loading of one item, namely Proactiveness1 was not significant (below the value of 0. 35) and was therefore excluded. The factor matrix of the remaining 26 items is provided in table 4.6.

Applying the factor extraction criterion that the eigen-values must be greater than one (Davis, 2005: 446), four factors were extracted in the exploratory factor analysis explaining 48.53% of the variance before rotation. After rotation, these factors could be identified as the theoretical dimensions of *Innovativeness*, *Competitive Aggressiveness*, *Autonomy* and *Risk-Taking*. *Proactiveness* as a factor on its own was therefore excluded.

Factor one, labelled *Innovativeness*, consisted of ten items. Nine items (Innovativeness7; Innovativeness2; Innovativeness4; Innovativeness8; Innovativeness3; Innovativeness1; Innovativeness5; Innovativeness6; Innovativeness9) that were used to measure the latent variable *Innovativeness* loaded onto factor one. One item (Proactiveness3) relating to the latent variable *Proactiveness*, were also included in factor one. This item was regarded by the respondents as being related to the factor *Innovativeness*. For the purposes of this study, *Innovativeness* refers to the regular introduction of new products/services/processes, the increase in the number of product/service offerings during the past two years as well as the extent to which these new products/services/processes have been transformational.

Table 4.6: Oblimin rotated factor matrix: Independent variables

Item[(2)]	Factor: Innovativeness	Factor: Competitive Aggressiveness	Factor 3: Autonomy	Factor 4: Risk-taking
Innovativeness7	**0.794**	-0.011	-0.008	0.015
Innovativeness2	**0.767**	-0.069	0.090	0.132
Innovativeness4	**0.737**	-0.059	-0.048	-0.068
Innovativeness8	**0.577**	-0.028	0.156	-0.069
Innovativeness3	**0.569**	0.006	0.006	-0.049
Innovativeness1	**0.559**	-0.062	0.021	0.016
Innovativeness5	**0.521**	0.074	-0.098	-0.180
Proactiveness3	**0.490**	-0.327	0.077	0.008
Innovativeness6	**0.393**	-0.137	0.176	-0.133
Innovativeness9	**0.369**	-0.057	0.126	-0.193
Comp. Aggressive3	-0.097	**-0.818**	-0.049	-0.108
Comp. Aggressive2	0.035	**-0.789**	-0.058	-0.037
Comp. Aggressive1	0.028	**-0.740**	-0.023	-0.012
Proactiveness2	0.128	**-0.526**	0.138	-0.007
Proactiveness4	0.264	**-0.437**	0.106	0.048
Comp. Aggressive4	0.009	**-0.416**	0.231	-0.079
Autonomy1	-0.102	-0.009	**0.649**	-0.047
Autonomy4	0.204	-0.088	**0.590**	0.131
Autonomy3	0.046	-0.115	**0.518**	-0.104
Autonomy2	0.364	0.034	**0.502**	-0.062
Autonomy5	0.003	0.048	**0.447**	-0.180
Risk-taking5	0.076	-0.043	0.155	**-0.586**
Risk-taking4	0.088	0.042	0.216	**-0.551**
Risk-taking3	0.130	-0.160	-0.011	**-0.530**
Risk-taking2	0.038	-0.220	0.015	**-0.520**
Risk-taking1	0.148	-0.232	0.037	**-0.430**
Cronbach alpha coefficient	0.890	0.850	0.767	0.824

Loadings greater than 0.35 were considered significant

Comp. Aggressive is used as an abbreviation for the construct *Competitive Aggressiveness.*

Factor two, labelled *Competitive Aggressiveness,* comprised six items. Four of the six items that were originally intended to measure *Competitive Aggressiveness* (Competitive Aggressiveness3; Competitive Aggressiveness2; Competitive Aggressiveness1; Competitive Aggressiveness4) loaded onto the factor *Competitive Aggressiveness* as expected. Two of the six items that were originally intended to measure the latent variable *Proactiveness* (Proactiveness2 and Proactiveness4) also loaded onto factor 2. Research shows that Antoncic and Hisrich (2001: 499) viewed competitive aggressiveness and boldness as components of proactiveness. These two items (Proactiveness2 and Proactiveness4) were however regarded by the respondents as being related to the factor *Competitive Aggressiveness,* and it was therefore combined together with the factor *Competitive Aggressiveness.* This factor was labelled *Competitive Aggressiveness*. In this regard, *Competitive Aggressiveness* refers to when an aggressive posture is assumed not only against competitors, but also any industry or market trends that may compromise survival or competitive position.

The third factor, which comprised of five items, was labelled *Autonomy*. All five factors that were originally intended to measure the latent variable *Autonomy* (Autonomy1; Autonomy4; Autonomy3; Autonomy2; Autonomy5) loaded onto the factor *Autonomy*. For the purposes of this study, *Autonomy* refers to employees being encouraged to manage their own work, without continual supervision and being allowed flexibility to be creative and try different methods to do their job.

The forth factor, *Risk-taking* comprised of all five items that were originally intended to measure the latent variable *Risk-taking* (Risk-taking5; Risk-taking4; Risk-taking3; Risk-taking2; Risk-taking1). *Risk-taking* refers to the inclination of the organisation towards high risk projects and when the organisation is confronted with uncertainty a bold posture is normally adopted to maximise the probability of exploiting opportunities. Calculated risk-taking is encouraged in these organisations.

The foregoing explanatory factor analysis together with the interpretability of the factors provides some evidence of construct validity. Cronbach alpha coefficients

were calculated (Bryman & Bell, 2007: 164) to assess the internal consistency of the items measuring the various factors under investigation. Coefficient alpha measures internal consistency by computing the average of all split-half reliabilities for a multiple-item scale (Zikmund & Babin, 2007: 322). The Cronbach alpha coefficient varies between 0 to indicate no reliability, and 1 for maximum reliability (Kent, 2007: 142) and values of below 0.7 can realistically be expected with psychological construct (Field, 2009: 668). In view of the fact that this study is an exploratory assessment of employees' perceptions within corporate training divisions in South Africa, a value of 0.6 would be acceptable, although 0.7 is preferred to indicate a higher level of reliability (Bagozzi, 1994: 18). The results in table 4.6 suggest that the proposed instrument is reliable with no factors below the Cronbach alpha value of 0.7. *Innovativeness* indicated a Cronbach Alpha coefficient of 0.890, *Competitive Aggressiveness* indicated a Cronbach Alpha coefficient of 0.850, *Autonomy* indicated a Cronbach Alpha coefficient of 0.767 and *Risk-Taking* indicated a Cronbach Alpha coefficient of 0.824.

4.6 RESULTS OF SUCCESS FACTORS WITHIN CORPORATE TRAINING DIVISIONS

4.6.1 Kirkpatrick's training evaluation and Phillips' return on investment

For the model assessing the dependant variables and specifically Kirkpatrick's training evaluation measures, factor analysis was individually performed on the four components measuring training evaluation and return on investment in training as per Phillips.

4.6.1.1 Kirkpatrick – Learner Reaction – construct validity and reliability

An exploratory factor analysis was conducted to assess the discriminant validity of the 10 items measuring learner reaction of employees within corporate training divisions of selected South African banks. Again two tests, namely Bartlett's test of sphericity and the Kaiser-Meyer-Olkin measure of sampling adequacy were considered important in determining the appropriateness of the data for factor analysis (Gürbüz & Aykol, 2009: 327). The data measuring learner reaction

yielded a sampling adequacy of 0.849 and the Bartlett's test of sphericity yielded a *p*-value of smaller than 0.001, indicating that patterns of correlations are compact and that factor analysis should yield reliable factors (Field, 2009: 647).

An Oblimin oblique rotation was also performed on the principal components of the exploratory factor analysis. To determine the number of factors to be extracted, Kaiser's criterion was used, namely to retain factors with eigen-values greater than one (Field, 2009: 647). As recommended by Field (2009: 644) factor loadings greater than 0.35 were considered as being significant. Two factors, explaining 42.14% of the variance of the data, were extracted. The dependant variable thus splits into two factors. All the items demonstrated sufficient discriminant validity by loading to a sufficient extent and, therefore, no items were deleted. The Oblimin rotated factor matrix of the dependant variable investigating the latent variable *Learner Reaction* measured in corporate training divisions of selected banks in South Africa is presented in table 4.7.

Table 4.7: Oblimin rotated factor matrix: Learner Reaction

Items	Factor: Learner Reaction1	Factor: Learner Reaction2
Learner Reaction3	**0.711**	-0.101
Learner Reaction2	**0.635**	0.148
Learner Reaction4	**0.628**	0.162
Learner Reaction1	**0.579**	-0.012
Learner Reaction6	**0.567**	0.028
Learner Reaction9	-0.153	**0.668**
Learner Reaction8	0.157	**0.638**
Learner Reaction7	0.118	**0.614**
Learner Reaction10	0.246	**0.541**
Learner Reaction5	0.022	**0.451**
Cronbach Alpha coefficient	0.78	0.745

Loadings greater than 0.35 were considered significant

Five of the ten items originally intended to measure the latent variable *Learner Reaction* loaded onto one factor. Factor 1 was labelled *Learner Reaction1.* Five of the ten factors loaded onto Factor 2, was labelled *Learner Reaction2.* It was difficult to make a clear distinction between the two factors based on the items that loaded onto the respective factors extracted, and as a result clearly operationalise the two factors as measuring different mindsets. It was therefore decided to label them as *Learner Reaction1 and Learner Reaction2*. For purposes of this study *Learner Reaction* is defined as measuring the feelings of learners on the training program. Reactions to the subject, the techniques used in training as well as the performance of the trainer is determined as part of this level.

Acceptable Cronbach alpha coefficients were calculated for the two factors extracted from the original latent variable used in this study, meaning that the items measuring the two factors yielded acceptable internal consistency or reliability. Cronbach Alpha for *Learner Reacion1*=0.78 and Cronbach Alpha for *Learner Reacion2*=0.745.

4.6.1.2 Kirkpatrick – Learning– construct validity and reliability

The factor matrix of the exploratory factor analysis with principle axis factoring extraction investigating the dependant variable *Learning* is presented in table 4.8.

Table 4.8: Factor matrix: Learning

Items	Factor: Learning
Learning5	0.742
Learning1	0.729
Learning3	0.706
Learning6	0.705
Learning2	0.591
Learning7	0.581
Learning4	0.517
Cronbach alpha	0.834

Loadings greater than 0.35 were considered significant

The factor analysis yielded the following results: Variance explained: 43.32%; Kaiser-Meyer-Olkin value: 0.873; Bartlett's test of sphericity < 0.001. All seven of the items originally intended to measure the latent variable, *Learning* loaded onto the factor as expected. For the purposes of this study, *Learning* is defined as the principles, facts and techniques that were understood and absorbed by the learners during the training program.

A Cronbach alpha coefficient of greater than 0.7 was returned, namely 0.834. The Cronbach alpha coefficient suggests that a reliable measuring scale was used to measure the construct under investigation.

4.6.1.3 Kirkpatrick – Learner Behaviour – construct validity and reliability

The factor matrix of the exploratory factor analysis with principle axis factoring extraction investigating the dependant variable *Learner Behaviour* is presented in table 4.9.

Table 4.9: Factor matrix: Learner Behaviour

Items	Factor: Learner Behaviour
Learner Behaviour5	0.866
Learner Behaviour3	0.812
Learner Behaviour6	0.806
Learner Behaviour4	0.801
Learner Behaviour1	0.784
Learner Behaviour8	0.753
Learner Behaviour2	0.662
Learner Behaviour7	0.604
Cronbach alpha	0.917

Loadings greater than 0.35 were considered significant

The factor analysis yielded the following results: Variance explained: 58.58%; Kaiser-Meyer-Olkin value: 0.926; Bartlett's test of sphericity < 0.001. All eight of the items originally intended to measure the latent variable, *Learner Behaviour*

loaded onto the factor as expected. For the purposes of this study, *Learner Behaviour* refers to on-the-job behaviours and application into the workplace of what has been learnt.

A Cronbach alpha coefficient of greater than 0.7 was returned, namely 0.917. The Cronbach alpha coefficient suggests that a reliable measuring scale was used to measure the construct under investigation.

4.6.1.4 Kirkpatrick – Business Results – construct validity and reliability

The factor matrix of the exploratory factor analysis with principle axis factoring extraction investigating the dependant variable *Business Results* is presented in table 4.10.

Table 4.10: Factor matrix: Business Results

Items	Factor: Business Results
Business Results3	0.789
Business Results8	0.772
Business Results4	0.759
Business Results7	0.754
Business Results5	0.753
Business Results1	0.713
Business Results9	0.703
Business Results6	0.675
Business Results2	0.643
Business Results10	0.594
Cronbach alpha	0.913

Loadings greater than 0.35 were considered significant

The factor analysis yielded the following results: Variance explained: 51.54%; Kaiser-Meyer-Olkin value: 0.922; Bartlett's test of sphericity < 0.001. All ten of the items originally intended to measure the latent variable, *Business Results* loaded onto the factor as expected. For the purposes of this study, *Business Results*

refer to the improvement of the desired business results due to the impact of the training programs.

A Cronbach alpha coefficient of greater than 0.7 was returned, namely 0.913. The Cronbach alpha coefficient suggests that a reliable measuring scale was used to measure the construct under investigation.

4.6.1.5 Kirkpatrick –Return on Investment – construct validity and reliability

The factor matrix of the exploratory factor analysis with principle axis factoring extraction investigating the dependant variable *Return on Investment* is presented in table 4.11.

Table 4.11: Factor matrix: Return on Investment

Items	Factor: ROI of training
ROI1	0.818
ROI4	0.806
ROI2	0.795
ROI5	0.787
ROI3	0.689
ROI6	0.675
Cronbach alpha	0.892

Loadings greater than 0.35 were considered significant

The factor analysis yielded the following results: Variance explained: 58.32%; Kaiser-Meyer-Olkin value: 0.857; Bartlett's test of sphericity < 0.001. All six of the items originally intended to measure the latent variable, *Return on Investment* loaded onto the factor as expected. For the purposes of this study, *Return on Investment* refers to the difference of the benefits of a training program and the costs associated to that training program, expressed as a percentage.

A Cronbach alpha coefficient of greater than 0.7 was returned for the construct *Return on Investment*, namely 0.892. The Cronbach alpha coefficient suggests that a reliable measuring scale was used to measure the construct under investigation.

4.6.2 Dimensions of a learning organisation

4.6.2.1 Dimensions of a learning organisation – Supportive Learning Environment construct validity and reliability

The factor matrix of the exploratory factor analysis with principle axis factoring extraction investigating the dependant variable *Supportive Learning Environment* is presented in table 4.12.

Table 4.12: Factor matrix: Supportive Learning Environment

Items	Factor: Supportive Learning Environment
Supportive learning environment1	0.873
Supportive learning environment2	0.841
Supportive learning environment3	0.829
Supportive learning environment4	0.828
Supportive learning environment5	0.701
Supportive learning environment6	0.568
Cronbach alpha	0.899

Loadings greater than 0.35 were considered significant

The factor analysis yielded the following results: Variance explained: 60.93%; Kaiser-Meyer-Olkin value: 0.863; Bartlett's test of sphericity < 0.001. All six of the items originally intended to measure the latent variable, *Supportive Learning Environment* loaded onto the factor as expected. For the purposes of this study, *Supportive Learning Environment* refers to an organisation in which employees feel safe disagreeing with others, asking naive questions, owning up to mistakes and presenting minority viewpoints.

A Cronbach alpha coefficient of greater than 0.7 was returned, namely 0.899. The Cronbach alpha coefficient suggests that a reliable measuring scale was used to measure the construct under investigation.

4.6.2.2 Dimensions of a learning organisation – Concrete Learning Processes – construct validity and reliability

The factor matrix of the exploratory factor analysis with principle axis factoring extraction investigating the dependant variable C*oncrete Learning Processes* is presented in table 4.13.

Table 4.13: Factor matrix: Concrete Learning Processes

Items	Factor: Concrete learning processes
Concrete learning processes4	0.748
Concrete learning processes3	0.733
Concrete learning processes2	0.684
Concrete learning processes1	0.675
Concrete learning processes5	0.510
Cronbach alpha	0.804

Loadings greater than 0.35 were considered significant

The factor analysis yielded the following results: Variance explained: 45.64%; Kaiser-Meyer-Olkin value: 0.806; Bartlett's test of sphericity < 0.001. All five of the items originally intended to measure the latent variable, *Concrete Learning Processes* loaded onto the factor as expected. For the purposes of this study, C*oncrete Learning Processes* refer to a team or organisation which has formal processes for generating, collecting, interpreting and disseminating information.

A Cronbach alpha coefficient of greater than 0.7 was returned, namely 0.804. The Cronbach alpha coefficient suggests that a reliable measuring scale was used to measure the construct under investigation.

4.6.2.3 Dimensions of a learning organisation – Leadership Reinforces Learning – construct validity and reliability

The factor matrix of the exploratory factor analysis with principle axis factoring extraction investigating the dependant variable *Leadership Reinforces Learning* is presented in table 4.14.

Table 4.14: Factor matrix: Leadership Reinforces Learning

Items	Factor: Leadership reinforces learning
Leadership reinforces learning4	0.827
Leadership reinforces learning5	0.824
Leadership reinforces learning3	0.813
Leadership reinforces learning2	0.785
Leadership reinforces learning1	0.767
Cronbach alpha	0.900

Loadings greater than 0.35 were considered significant

The factor analysis yielded the following results: Variance explained: 64.59%; Kaiser-Meyer-Olkin value: 0.862; Bartlett's test of sphericity < 0.001. All five of the items originally intended to measure the latent variable, *Leadership Reinforces Learning* loaded onto the factor as expected. For the purposes of this study, *Leadership Reinforces Learning* refers to organisational leaders that display a willingness to entertain alternative viewpoints; signal the importance of spending time on problem identification, knowledge transfer and reflection as well as engage in active questioning and listening.

A Cronbach alpha coefficient of greater than 0.7 was returned, namely 0.900. The Cronbach alpha coefficient suggests that a reliable measuring scale was used to measure the construct under investigation.

4.7 MODIFIED HYPOTHESES

Due to the results of the factor analysis regarding the independent variables, namely the determinants of entrepreneurial orientation as well as the results of the factor analysis regarding the dependent variables, namely the determinants of success factors of corporate training organisations, it was deemed necessary to reformulate and expand the hypotheses:

H^{1a}: There is a significant relationship between *Innovativeness* and *Learner Reaction1*.

H^{1b}: There is a significant relationship between *Innovativeness* and *Learner Reaction2*.

H^{1c}: There is a significant relationship between *Innovativeness* and *Learning.*

H^{1d}: There is a significant relationship between *Innovativeness* and *Learner Behaviour*.

H^{1e}: There is a significant relationship between *Innovativeness* and *Business Results.*

H^{1f}: There is a significant relationship between *Innovativeness* and *Return on Investment.*

H^{1g}: There is a significant relationship between *Innovativeness* and *Supportive Learning Environment.*

H^{1h}: There is a significant relationship between *Innovativeness* and *Concrete Learning Processes.*

H^{1i}: There is a significant relationship between *Innovativeness* and *Leadership Reinforces Learning.*

H^{2a}: There is a significant relationship between *Risk-Taking* and *Learner Reaction1*.

H^{2b}: There is a significant relationship between *Risk-Taking* and *Learner Reaction2.*

H^{2c}: There is a significant relationship between *Risk-Taking* and *Learning.*

H^{2d}: There is a significant relationship between *Risk-Taking* and *Learner Behaviour.*

H^{2e}: There is a significant relationship between *Risk-Taking* and *Business Results.*

H^{2f}: There is a significant relationship between *Risk-Taking* and *Return on Investment.*

H^{2g}: There is a significant relationship between *Risk-Taking* and *Supportive Learning Environment.*

H^{2h}: There is a significant relationship between *Risk-Taking* and *Concrete Learning Processes.*

H^{2i}: There is a significant relationship between *Risk-Taking* and *Leadership Reinforces Learning.*

H^{4a}: There is a significant relationship between *Autonomy* and *Learner Reaction1.*

H^{4b}: There is a significant relationship between *Autonomy* and *Learner Reaction2.*

H^{4c}: There is a significant relationship between *Autonomy* and *Learning.*

H^{4d}: There is a significant relationship between *Autonomy* and *Learner Behaviour.*

H^{4e}: There is a significant relationship between *Autonomy* and *Business Results.*

H^{4f}: There is a significant relationship between *Autonomy* and *Return on Investment.*

H^{4g}: There is a significant relationship between *Autonomy* and *Supportive Learning Environment.*

H^{4h}: There is a significant relationship between *Autonomy* and *Concrete Learning Processes.*

H^{4i} There is a significant relationship between *Autonomy* and *Leadership Reinforces Learning.*

H^{5a}: There is a significant relationship between *Competitive Aggressiveness* and *Learner Reaction1.*

H^{5b}: There is a significant relationship between *Competitive Aggressiveness* and *Learner Reaction2.*

H^{5c}: There is a significant relationship between *Competitive Aggressiveness* and *Learning.*

H^{5d}: There is a significant relationship between *Competitive Aggressiveness* and *Learner Behaviour.*

H^{5e}: There is a significant relationship between *Competitive Aggressiveness* and *Business Results.*

H^{5f}: There is a significant relationship between *Competitive Aggressiveness* and *Return on Investment.*

H^{5g}: There is a significant relationship between *Competitive Aggressiveness* and *Supportive Learning Environment.*

H^{5h}: There is a significant relationship between *Competitive Aggressiveness* and *Concrete Learning Processes.*

H^{5i}: There is a significant relationship between *Competitive Aggressiveness* and *Leadership Reinforces Learning.*

4.8 THE RELATIONSHIP BETWEEN ENTREPRENEURIAL ORIENTATION AND SUCCESS FACTORS

Multiple linear regression analysis is used to identify relationships between several independent variables and a dependent variable (Wilson, 2010: 248; Rubin, 2009: 231), and can be used to predict a dependent variable based on several independent or explanatory variables (Cooper & Schindler, 2007; Hair, Anderson, Tatham & Black, 1998). Factor scores for each respondent were computed as the average of all items contributing to the relevant factor. In this study multiple linear regression analysis was performed to assess whether the independent variables, as identified, exert a significant influence on the dependent variables. Therefore it was analysed whether Entrepreneurial Orientation and specifically *Innovativeness, Competitive Aggressiveness, Autonomy and Risk-Taking* within corporate training divisions exert a significant influence on the Perceived Success Factors Of Corporate Training Organisation, namely *Learner Reaction1, Learner Reaction2, Learning, Learner Behaviour, Business Results, Return on Investment, Supportive Learning Environment, Concrete Learning Processes and Leadership Reinforces Learning.* As such, nine separate regression models were used and the results thereof are discussed in the paragraphs below.

Table 4.15: Multiple regression results: Impact of Entrepreneurial Orientation on the dependant variable Learner Reaction1

Model	Non-standardised Coefficients		Standardised Coefficients	t-value	*p*-level
	B	Std. Error	Beta		
Constant	2.936	0.204		14.411	0.000
Innovativeness	0.103	0.077	0.114	1.327	0.186
Competitive Aggressiveness	0.067	0.065	0.079	1.021	0.308
Autonomy	0.101	0.060	0.125	1.701	0.090
Risk-Taking	0.048	0.067	0.058	0.711	0.478

R^2=0.099 (**p<0.05)

Table 4.15 indicates that there is a significant percentage (9.9%) of the variation in *Learner Reaction1* being measured in corporate training divisions that is explained by the different components of entrepreneurial orientation within corporate training divisions, i.e. *Innovativeness*, *Competitive Aggressiveness*, *Autonomy* and *Risk-taking.*

The multiple regression analysis indicates no significant relationship between any of the independent variables (all *p*-levels are >0.005). Therefore the hypotheses that there is a significant relationship between *Innovativeness* (H^{1a}), *Risk-Taking* (H^{2a}) *Autonomy* (H^{4a}) *Competitive Aggressiveness* (H^{5a}), and within corporate training divisions and *Learner Reaction1* being measured in corporate training divisions are therefore rejected.

The results of the multiple regression analysis for the influence of the independent variables on the dependent variable *Learner Reaction2* are presented in table 4.16.

Table 4.16: Multiple regression results: Impact of Entrepreneurial Orientation on the dependant variable Learner Reaction2

Model	Non-standardised Coefficients		Standardised Coefficients	t-value	*p*-level
	B	Std. Error	Beta		
Constant	1.642	0.240		6.845	0.000
Innovativeness	0.176	0.091	0.158	1.934	0.054
Competitive Aggressiveness	0.256	0.077	0.247	3.330	0.001**
Autonomy	0.095	0.070	0.095	1.350	0.178
Risk-Taking	-0.005	0.079	-0.005	-0.062	0.951

R^2=0.183 (**p<0.05)

Table 4.16 indicates a significant percentage (18.3%) of the variation in *Learner Reaction2* being measured within corporate training divisions is explained by the different components of entrepreneurial orientation within corporate training divisions, namely *Innovativeness*, C*ompetitive Aggressiveness*, A*utonomy* and R*isk-Taking.*

The multiple regression analysis indicates a significant positive relationship between the independent variable C*ompetitive Aggressiveness* (p=0.001) of corporate training divisions and the dependant variable *Learner Reaction2* being measured in corporate training divisions.

The hypothesis that there is a significant relationship between C*ompetitive Aggressiveness* (H^{5b}), and *Learner Reaction2* being measured in corporate training divisions is therefore accepted.

The hypotheses that there is a significant relationship between *Innovativeness* (H^{1b}), *Risk-Taking* (H^{2b}) *Autonomy* (H^{4b}) and within corporate training divisions and *Learner Reaction2* being measured in corporate training divisions are therefore rejected.

The results of the multiple regression analysis for the influence of the independent variables on the dependent variable *Learning* are presented in table 4.17

Table 4.17: Multiple regression results: Impact of Entrepreneurial Orientation on the dependant variable Learning

Model	Non-standardised Coefficients		Standardised Coefficients	t-value	*p*-level
	B	Std. Error	Beta		
Constant	1.561	0.190		8.234	0.000
Innovativeness	0.043	0.072	0.044	0.599	0.550
Competitive Aggressiveness.	0.352	0.061	0.390	5.794	0.000**
Autonomy	0.056	0.055	0.065	1.016	0.310
Risk-Taking	0.136	0.062	0.153	2.181	0.030**

R^2=0.325 (**p<0.05)

Table 4.17 indicates that, in practice a significant percentage (32.5%) of the variation in *Learning* being measured as part of the success factors within corporate training divisions is explained by the different components measuring entrepreneurial orientation, namely *Innovation, Competitive Aggressiveness, Autonomy and Risk-Taking.*

The multiple regression analysis indicates a significant positive relationship between the independent variables *Competitive Aggressiveness* (p<0.001) and *Risk-Taking* (p<0.005) of corporate training divisions and the dependant variable *Learning* being measured as part of the success factors of corporate training divisions. The hypotheses that there is a significant relationship between *Risk-Taking* (H^{2c}) and *Competitive Aggressiveness* (H^{5c}) of corporate training divisions and *Learning* were therefore accepted. The hypotheses that there is a significant relationship between *Innovativeness* (H^{1c}) and *Autonomy* (H^{4c}) and *Learning* within corporate training divisions were therefore rejected.

The results of the multiple regression analysis for the influence of the independent variables on the dependent variable *Learner Behaviour* are presented in table 4.18.

Table 4.18: Multiple regression results: Impact of Entrepreneurial Orientation on the dependant variable Learner Behaviour

Model	Non-standardised Coefficients		Standardised Coefficients	t-value	*p*-level
	B	Std. Error	Beta		
Constant	1.202	0.244		4.925	0.000
Innovativeness	-0.204	0.093	-0.172	-2.199	0.029**
Competitive Aggressiveness.	0.481	0.078	0.435	6.146	0.000**
Autonomy	0.143	0.071	0.134	2.002	0.046**
Risk-Taking	0.153	0.080	0.141	1.911	0.057

R^2=0.254 (**p<0.05)

Table 4.18 indicates that, in practice a significant percentage (25.4%) of the variation in *Learner Behaviour* being measured as part of the success factors within corporate training divisions is explained by the different components measuring entrepreneurial orientation, namely *Innovativeness, Competitive Aggressiveness, Autonomy and Risk-Taking.*

The multiple regression analysis indicates a significant positive relationship between the independent variables *Competitive Aggressiveness* (p<0.001) and *Autonomy* (p<0.005) of corporate training divisions and the dependant variable *Behaviour of Learners* being measured as part of the success factors of corporate training divisions. The multiple regression analysis further indicates a significant negative relationship between the independent variable *Innovativeness,* (p<0.005) of corporate training divisions and the dependant variable Behaviour of Learners. The hypotheses that there is a significant relationship between *Innovativeness* (H^{1d}), *Autonomy* (H^{4d}) and *Competitive Aggressiveness* (H^{5d}) of corporate training divisions and *Learner Behaviour* was therefore accepted. The hypothesis that there is a significant relationship

between *Risk-taking* (H^{2d}) and *Learner Behaviour* within corporate training divisions were therefore rejected.

The results of the multiple regression analysis for the influence of the independent variables on the dependent variable *Business Results* are presented in table 4.19.

Table 4.19: Multiple regression results: Impact of Entrepreneurial Orientation on the dependant variable Business Results

Model	Non-standardised Coefficients		Standardised Coefficients	t-value	*p*-level
	B	Std. Error	Beta		
Constant	1.631	0.217		7.522	0.000
Innovativeness	-0.070	0.082	-0.068	-0.851	0.396
Competitive Aggressiveness.	0.330	0.070	0.343	4.741	0.000**
Autonomy	0.094	0.063	0.102	1.489	0.138
Risk-Taking	0.142	0.071	0.151	1.999	0.047**

R^2=0.219 (**p<0.05)

Table 4.19 indicates that, in practice a significant percentage (21.9%) of the variation in *Business Results* being measured as part of the success factors within corporate training divisions is explained by the different components measuring entrepreneurial orientation, namely *Innovativeness, Competitive Aggressiveness, Autonomy and Risk-Taking.*

The multiple regression analysis indicates a significant positive relationship between the independent variables *Competitive Aggressiveness* (p<0.001) and *Risk-Taking* (p<0.05) of corporate training divisions and the dependant variable *Business Results* being measured as part of the success factors of corporate training divisions. The hypotheses that there is a significant relationship between *Risk-taking* (H^{2e}) and *Competitive Aggressiveness* (H^{5e}) of corporate training divisions and *Business Results* were therefore accepted. The hypotheses that there is a significant relationship between *Innovativeness* (H^{1e}) and *Autonomy*

(H^{4e}) and *Business Results* within corporate training divisions were therefore rejected.

The results of the multiple regression analysis for the influence of the independent variables on the dependent variable *Return on Investment* are presented in table 4.20.

Table 4.20: Multiple regression results: Impact of Entrepreneurial Orientation on the dependant variable Return on Investment

Model	Non-standardised Coefficients		Standardised Coefficients	t-value	*p*-level
	B	Std. Error	Beta		
Constant	1.546	0.230		6.715	0.000
Innovativeness	0.053	0.087	0.049	0.604	0.547
Competitive Aggressiveness.	0.289	0.074	0.288	3.910	0.000**
Autonomy	-0.050	0.067	-0.052	-0.741	0.460
Risk-Taking	0.185	0.076	0.189	2.448	0.015**

R^2=0.191 (**p<0.05)

Table 4.20 indicates that, in practice a significant percentage (19.1%) of the variation in *Return on Investment* being measured as part of the success factors within corporate training divisions is explained by the different components measuring entrepreneurial orientation, namely *Innovativeness, Competitive Aggressiveness, Autonomy and Risk-Taking.*

The multiple regression analysis indicates a significant positive relationship between the independent variables *Competitive Aggressiveness* (p<0.001) and *Risk-Taking* (p<0.05) of corporate training divisions and the dependant variable *Return on Investment* being measured as part of the success factors of corporate training divisions. The hypotheses that there is a significant relationship between *Risk-taking* (H^{2f}) and *Competitive Aggressiveness* (H^{5f}) of corporate training divisions and *Return on Investment* were therefore accepted. The hypotheses that there is a significant relationship between *Innovativeness* (H^{1f}) and

Autonomy (H^{4f}) and *Return on Investment* within corporate training divisions were therefore rejected.

The results of the multiple regression analysis for the influence of the independent variables on the dependent variable *Supportive Learning Environment* are presented in table 4.21.

Table 4.21 Multiple regression results: Impact of Entrepreneurial Orientation on the dependant variable Supportive Learning Environment

Model	Non-standardised Coefficients		Standardised Coefficients	t-value	*p*-level
	B	Std. Error	Beta		
Constant	0.740	0.228		3.248	0.001
Innovativeness	0.394	0.086	0.332	4.560	0.000**
Competitive Aggressiveness.	0.160	0.073	0.144	2.184	0.030**
Autonomy	0.163	0.067	0.154	2.454	0.015**
Risk-Taking	0.066	0.075	0.061	0.882	0.379

R^2=0.351 (**p<0.05)

Table 4.21 indicates that, in practice a significant percentage (35.1%) of the variation in *Supportive Learning Environment* being measured as part of the success factors within corporate training divisions is explained by the different components measuring entrepreneurial orientation, namely *Innovativeness, Competitive Aggressiveness, Autonomy and Risk-Taking.*

The multiple regression analysis indicates a significant positive relationship between the independent variables *Innovativeness* (p<0.001), *Competitive Aggressiveness* (p<0.05) and *Autonomy* (p<0.05) of corporate training divisions and the dependant variable *Supportive Learning Environment* being measured as part of the success factors of corporate training divisions. The hypotheses that there is a significant relationship between *Innovativeness* (H^{1g}), *Autonomy* (H^{4g}) and *Competitive Aggressiveness* (H^{5g}) of corporate training divisions and *Supportive Learning Environment* were therefore accepted. The hypothesis that

there is a significant relationship between and *Risk-taking* (H^{2g}) and *Supportive Learning Environment* within corporate training divisions was therefore rejected.

The results of the multiple regression analysis for the influence of the independent variables on the dependent variable *Concrete Learning Processes* are presented in table 4.22.

Table 4.22: Multiple regression results: Impact of Entrepreneurial Orientation on the dependant variable Concrete Learning Processes

Model	Non-standardised Coefficients		Standardised Coefficients	t-value	*p*-level
	B	Std. Error	Beta		
Constant	1.497	0.198		7.567	0.000
Innovativeness	0.193	0.075	0.195	2.567	0.011**
Competitive Aggressiveness.	0.262	0.063	0.285	4.127	0.000**
Autonomy	0.095	0.058	0.107	1.642	0.102
Risk-Taking	0.040	0.065	0.044	0.617	0.537

R^2=0.292 (**p<0.05)

Table 4.22 indicates that, in practice a relative significant percentage (29.2%) of the variation in *Concrete Learning Processes* being measured as part of the success factors within corporate training divisions is explained by the different components measuring entrepreneurial orientation, namely *Innovativeness, Competitive Aggressiveness, Autonomy and Risk-Taking.*

The multiple regression analysis indicates a significant positive relationship between the independent variables *Innovativeness* (p<0.05) and *Competitive Aggressiveness* (p<0.001) of corporate training divisions and the dependant variable *Concrete Learning Processes* being measured as part of the success factors of corporate training divisions. The hypotheses that there is a significant relationship between *Innovativeness* (H^{1h}) and *Competitive Aggressiveness* (H^{5h}) of corporate training divisions and *Concrete Learning Processes* were therefore accepted. The hypotheses that there is a significant relationship between *Risk-*

taking (H^{2h}) and *Autonomy* (H^{4h}) and *Concrete Learning Processes* within corporate training divisions were therefore rejected.

The results of the multiple regression analysis for the influence of the independent variables on the dependent variable *Leadership Reinforces Learning* are presented in table 4.23.

Table 4.23: Multiple regression results: Impact of Entrepreneurial Orientation on the dependant variable Leadership Reinforces Learning

Model	Non-standardised Coefficients		Standardised Coefficients	t-value	*p*-level
	B	Std. Error	Beta		
Constant	0.699	0.208		3.364	0.001
Innovativeness	0.312	0.079	0.268	3.953	0.000**
Competitive Aggressiveness.	0.204	0.067	0.188	3.051	0.002**
Autonomy	0.216	0.061	0.207	3.550	0.000**
Risk-Taking	0.130	0.068	0.123	1.906	0.058

R^2=0.436 (**p<0.05)

Table 4.23 indicates that, in practice a significant percentage (43.6%) of the variation in *Leadership Reinforces Learning* being measured as part of the success factors within corporate training divisions is explained by the different components measuring entrepreneurial orientation, namely *Innovativeness, Competitive Aggressiveness, Autonomy and Risk-Taking.*

The multiple regression analysis indicates a significant positive relationship between the independent variables *Innovativeness* (p<0.001)*, Competitive Aggressiveness* (p<0.005) *and Autonomy* (p<0.001) of corporate training divisions and the dependant variable *Leadership Reinforces Learning* being measured as part of the success factors of corporate training divisions. The hypotheses that there is a significant relationship between *Innovativeness* (H^{1i}), *Autonomy* (H^{4i}) and *Competitive Aggressiveness* (H^{5i}), of corporate training divisions and *Leadership Reinforces Learning* were therefore accepted. The hypothesis that there is a significant relationship between *Risk-taking* (H^{2i}) and

Leadership Reinforces Learning within corporate training divisions was therefore rejected.

4.9 THE RELATIONSHIP BETWEEN DEMOGRAPHIC FACTORS AND CONSTRUCTS

An advantage of drawing a random sample is that it enables one to study the properties of a population with the available time and money (Ellis & Steyn, 2003: 51).In such cases the statistical significance tests (e.g. t-tests) are used to show that the results of the difference between two means are significant. The *p*-value is a criteria of this, giving the probability that the obtained value or larger could be obtained with the assumption that the null hypothesis (e.g. no difference between the means) is true.

A small *p*-value (smaller than 0.05) is considered to be sufficient evidence that the results is statistically significant. Statistical significance, however, does not necessarily imply that the result is important in practice, as these tests have the tendency to yield small *p*-values (indicating statistical significance) as the size of the dataset increases (Ellis & Steyn, 2003: 51). Statistical inference draws conclusions about the population from which a random sample was drawn, using the descriptive measures that have been calculated. Instead of merely reporting descriptive statistics, effect sizes can be determined. The effect size (*d*-values) is independent of sample size and is a measure of practical significance (Ellis & Steyn, 2003: 51).

Therefore, the statistical and practical significance of the relationship between some demographic factors and the constructs measuring entrepreneurial orientation and the success factors of corporate training organisations were determined by paired t-tests and the effect sizes (*d*-values). The effect sizes (*d*) will be interpreted according to Cohen's guidelines, as follows: small effect (d=0.2), medium effect (d=0.5) and large effect (d=0.8). Results with medium effects can be regarded as visible effects and with $d \geq 0.8$ as practically significant, since it is the result of a difference having a large effect (Ellis & Steyn, 2003: 51-53; Cohen, 1992: 155-159). Table 4.24 shows the relationship between

the 13 variables and the demographical variables, age group, gender and highest academic qualification respectively, with the mean (x), standard deviation (*s*), t-tests (*p*-value) and effect sizes (*d*-value).

Table 4.24: The results of the differences between the means of the variables for different demographic variables

Age Group								
Variable	**≤ 39 years**			**40 + years**			**Comparison**	
	n	**x**	**s**	**n**	**x**	**s**	***p***	***d***
Innovativeness	191	3.7696	0.64353	100	3.6930	0.73033	0.377	0.10
Competitive aggressiveness	191	3.2914	0.68162	100	3.0500	0.77543	0.009*	0.31
Autonomy	191	3.5853	0.73370	100	3.4920	0.78954	0.328	0.12
Risk-taking	191	3.3225	0.70716	100	3.2020	0.79111	0.202	0.15
Learner reaction 1	191	4.0042	0.62102	100	4.1380	0.57538	0.068	0.22
Learner reaction 2	191	3.4681	0.72095	100	3.4000	0.81004	0.481	0.08
Learning	191	3.5595	0.63387	100	3.3814	0.67742	0.031*	0.26
Learner behaviour	191	3.1734	0.78856	100	2.6500	0.70800	0.000*	0.66
Business results	191	3.3377	0.70647	100	3.0230	0.62488	0.000*	0.45
Return on investment	191	3.2496	0.68160	100	2.8183	0.72401	0.000*	0.60
Supportive learning environment	191	3.5925	0.79077	100	3.3917	0.80660	0.044*	0.25
Concrete learning processes	191	3.5435	0.66471	100	3.4960	0.66998	0.566	0.07
Leadership reinforces learning	191	3.7529	0.76039	100	3.6340	0.82440	0.232	0.14
Gender								
Variable	**Male**			**Female**			**Comparison**	
	n	**x**	**s**	**n**	**x**	**s**	**p**	**d**
Innovativeness	86	3.7651	0.69937	205	3.7341	0.66510	0.727	0.04
Competitive aggressiveness	86	3.2694	0.71454	205	3.1829	0.72686	0.350	0.12
Autonomy	86	3.6465	0.79804	205	3.5141	0.73220	0.188	0.17
Risk-taking	86	3.3651	0.76092	205	3.2459	0.72710	0.218	0.16
Learner reaction 1	86	4.1023	0.55200	205	4.0283	0.63011	0.319	0.12
Learner reaction 2	86	3.4442	0.73334	205	3.4449	0.76154	0.994	0.00
Learning	86	3.5382	0.59839	205	3.4815	0.67599	0.479	0.08
Learner behaviour	86	2.9506	0.86140	205	3.0116	0.77478	0.571	0.07
Business results	86	3.1779	0.75746	205	3.2512	0.66750	0.437	0.10

Return on investment	86	3.0039	0.83470	205	3.1423	0.67151	0.175	0.17
Supportive learning environment	86	3.4399	0.92175	205	3.5585	0.74359	0.292	0.13
Concrete learning processes	86	3.4977	0.70075	205	3.5395	0.65188	0.636	0.06
Leadership reinforces learning	86	3.7907	0.75951	205	3.6790	0.79298	0.260	0.14
Highest Academic Qualifications								
Variable	**Diploma and lower**			**Degree and higher**			**Comparison**	
	n	**x**	**s**	**n**	**x**	**s**	**p**	**d**
Innovativeness	177	3.7429	0.66629	114	3.7439	0.68962	0.991	0.00
Competitive aggressiveness	177	3.2637	0.69688	114	3.1228	0.75715	0.112	0.19
Autonomy	177	3.5209	0.72618	114	3.6035	0.79422	0.372	0.10
Risk-taking	177	3.2927	0.73237	114	3.2632	0.74943	0.741	0.04
Learner reaction 1	177	4.0723	0.52933	114	4.0158	0.71452	0.469	0.08
Learner reaction 2	177	3.4328	0.76608	114	3.4632	0.73271	0.735	0.04
Learning	177	3.5706	0.62613	114	3.3860	0.68153	0.021*	0.27
Learner behaviour	177	3.0734	0.78215	114	2.8695	0.81577	0.035*	0.25
Business results	177	3.2904	0.67602	114	3.1351	0.71569	0.066	0.22
Return on investment	177	3.2128	0.68135	114	2.9284	0.75875	0.001*	0.37
Supportive learning environment	177	3.5697	0.79327	114	3.4518	0.81007	0.223	0.15
Concrete learning processes	177	3.6429	0.63063	114	3.3474	0.68151	0.000*	0.43
Leadership reinforces learning	177	3.7232	0.80564	114	3.6947	0.75126	0.760	0.04

(*p<0.05)

The results indicated a statistically significant difference (p<0.05) in the mean values in which respondents of 39 years and younger and respondents 40 years and older perceived six variables, namely C*ompetitive Aggressiveness* (p=0.009)*, Learning* (p=0.031), *Learner Behaviour* (p<0.001)*, Business Results* (p<0.001)*, Return on Investment* (p<0.001) and *Supportive Learning Environment* (p=0.044)*.* Furthermore, the differences yielded medium effect sizes for *Learner Behaviour* (d=0.66) and *Return on Investment* (d=0.60) and yielded small effect sizes for C*ompetitive Aggressiveness* (d=0.31), *Learning* (d=0.26), *Business Results* (d=0.45), and *Supportive Learning Environment* (d=0.25).

No statistical significant differences were observed in the mean values of males and females. All the variables delivered *p*-values greater than 0.05.

Statistically significant differences ($p<0.05$) in the mean values in which respondents with a highest qualification being a diploma or lower and respondents with a highest qualification being a degree and higher view four variables were reflected, namely *Learning* ($p=0.021$), *Behaviour of Learners* ($p=0.035$), Return on Investment ($p=0.001$) and C*oncrete Learning Processes* ($p<0.001$). However the differences yielded only small effect sizes for all variables, namely *Learning Acquired by Learners* ($d=0.27$), *Behaviour of Learners* ($d=0.25$), *Return on Investment* ($d=0.37$) and *Concrete Learning Processes* ($d=0.43$).

4.10 SUMMARY

This empirical study consisted of a structured questionnaire which aimed to assess entrepreneurial orientation and the perceived success factors in corporate training divisions of selected banks in South Africa.

Exploratory factor analyses were conducted to assess the discriminant validity of the constructs measuring entrepreneurial orientation and the perceived success factors of corporate training organisations.

The literature study revealed generally accepted success factors of training divisions and the correlation between the entrepreneurial orientation dimension and the success factors within corporate training divisions were investigated.

Positive relationships were found between *Competitive Aggressiveness* and the following perceived success factors of corporate training organisations: *Learner Reaction2; Learning; Learner Behaviour; Business Results; Return on Investment; Supportive Learning Environment; Concrete Learning Processes* and *Leadership Reinforces Learning.* Positive relationships were found between *Risk Taking* and the following perceived success factors of corporate training organisations: *Learning; Business Results* and *Return on Investment*. Positive

relationships were also found between *Innovativeness* and *Supportive Learning Environment; Concrete Learning Processes* and *Leadership Reinforces Learning.* A negative relationship was found between *Innovativeness* and *Learner Behaviour.* Lastly a positive relationship was also found between *Autonomy* and *Learner Behaviour; Supportive Learning Environment* and *Leadership Reinforces Learning.*

No practical significance was observed in any of the relationships between the demographic factors and the constructs.

In the following chapter summative observations, based on the empirical study will be made regarding what management within corporate training divisions can do to increase an entrepreneurial orientation within the division.

CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

This chapter discusses the implications of the findings of the empirical study as presented in chapter 4. This is the final chapter in the assessment of entrepreneurial orientation in corporate training divisions of selected South African banks. The chapter consists of two sections. In the first section of the chapter, deductions and conclusions will be drawn from the results of the literature study and the findings of the empirical study. The discussion focuses on the findings regarding entrepreneurial orientation in corporate training divisions of selected South African banks, taking cognisance of the primary and secondary objectives as specified in chapter one.

Conclusions will be drawn with regards to the empirical research performed and the statistical results discussed in chapter 4. The relationship between the constructs entrepreneurial orientation and perceived success factors of corporate training organisations will be discussed. Furthermore, the relevance of the relationships between demographic factors and the constructs measuring entrepreneurial orientation and perceived success factors of corporate training organisations will be illustrated.

The rapidly changing banking environment that is placing heightened emphasis on technological advancement, coupled with the requirement of training practitioners to behave more entrepreneurially, necessitates a discussion on how to possibly increase entrepreneurial orientation within corporate training divisions within the banking industry in South Africa. This encapsulates the second section of this chapter.

The achievement of the primary and secondary objectives will be considered. In the conclusion of the chapter, suggestions will be made for future research.

5.2 CONCLUSIONS

Conclusions regarding the demographic information will be considered first. An evaluation of the Cronbach Alpha coefficients to determine the reliability of the measuring instrument including the constructs measuring entrepreneurial orientation and the perceived success factors of corporate training organisations will be discussed next.

An exploratory factor analysis was conducted to group the items of the survey within the constructs of entrepreneurial orientation and within the constructs of success factors of corporate training organisations respectively. Initial hypotheses were subsequently reformulated. The results from the multiple regression analysis to assess the relationship between entrepreneurial orientation and the success factors of corporate training organisations will be considered. Relationships between some of the demographical factors and the entrepreneurial orientation and success factor constructs will also be discussed.

5.2.1 Demographical information

Demographical information was collected from respondents regarding their age group; gender; race; grading within the organisation and highest academic qualification.

From the results of the questionnaire, the following deductions could be made regarding the demographic information of respondents:

- The majority of the respondents (46%) fall between the ages of 30 and 39 years. About an equal percentage of respondents fall between 40 and 49 years of age (22.7%) and younger than 29 years of age (19.6%). It would appear that the corporate training industry attracts young individuals, with 65.6% younger than 40 years. Only 11% of the respondents were between 50 and 59 years of age, with only 0.7% being 60 years or older and is probably close to retirement.

- Most of the respondents were female (70.4%), which is consistent with research proving that women are dominant in the educational services industry (Dehne, 2009).
- The majority of the respondents in the selected corporate training divisions are white (45%), 24.4% are black and 18.6% are coloured with only 12% being Indian.
- Most of the employees are general staff (43%) and the minority executives (1%). This is consistent with the general pyramid-shaped structure of most corporate organisations, with the majority of employees on the lower levels and fewer employees as is moved up within organisational levels.
- The results showed a good spread of highest qualifications by the respondents. The majority of respondents have a diploma (25.1%) and 21.6% have a certificate. Of the respondents 23% have a post-graduate degree and 16.2% a degree. In total, 85.9% of the respondents have a post-matric qualification, with 39.2% with a degree or higher qualification. Only 0.3% of the respondents have qualifications lower than a matric, which is consistent with the notion that most banks only employ staff with at least a matric qualification.

5.2.2 Reliability of the questionnaire

All the constructs measuring the dependent and the independent variables produced Cronbach Alpha coefficients with values greater than 0.7. This reveals that it may be accepted with reasonable certainty that the measuring instrument used to assess entrepreneurial orientation within corporate training divisions within selected South African banks, and the perceived success within corporate training organisations produced a reliable result.

5.2.3 Validity of the questionnaire

The exploratory factor analysis indicated that the independent variables loaded into a set of four factors, namely *Innovativeness*; *Competitive Aggressiveness*, *Autonomy* and *Risk-Taking*. It was observed that the *Proactiveness* items were split and *Proactiveness3* loaded with the *Innovativeness* factor and *Proactiveness2* and *Proactiveness4* loaded with the *Competitive Aggressiveness*

factor. This is consistent with Scheepers *et al*. (2007: 241) and Antoncic and Hisrich (2001: 499) who are of the opinion that competitive aggressiveness forms part of the proactiveness sub-dimension. For purposes of this study however, this factor was labelled *Competitive Aggressiveness*.

Furthermore, the exploratory factor analysis conducted, indicated that the dependent variables, namely the success factors of corporate training organisations loaded as a set of nine factors, namely Learner Reaction that split into two factors and were labelled *Learner Reaction1* and *Learner Reaction2*; *Learning*; *Learner Behaviour*; *Business Results*; *Return on Investment*, *Supportive Learning Environment*, *Concrete Learning Processes* and *Leadership Reinforces Learning*.

5.2.4 The relationship between the dependent and the independent variables

The results of the multiple regression analyses signify that respondents within the selected banks perceive that the organisation-based factor: *Competitive Aggressiveness* has a positive influence on *Learner Reaction2; Learning*; *Learner Behaviour; Business Results*; *Return on Investment*; *Supportive Learning Environment; Concrete Learning Processes* and *Leadership Reinforces Learning* within corporate training divisions.

In essence corporate training divisions that assume an aggressive posture, by aggressively responding to industry or market trends that may compromise survival or competitive position, tend to be more successful in terms of measuring the feelings of learners on the training program. The feelings of learners include reactions to the subject, the techniques used in training as well as the performance of the trainer. Furthermore, these competitive aggressive corporate training divisions tend to be more successful regarding the principles, facts and techniques that are understood and absorbed by learners. In addition, these corporate training divisions also ensure that on-the-job application occur of what has been learnt into the workplace, and that the desired improvement in the business results take place due to the impact of the training programs which

consequently leads to positive contributions in the difference of the benefits of training programs that exceed the costs. Training divisions that assume an aggressive posture leads to a training division in which employees feel safe disagreeing with others, asking naive questions, owning up to mistakes and presenting minority viewpoints. Furthermore, these corporate training divisions has formal processes for generating, collecting, interpreting and disseminating information and has organisational leaders that display a willingness to entertain alternative viewpoints, signalling the importance of spending time on problem identification, knowledge transfer and reflection as well as engage in active questioning and listening.

The results of the multiple regression analysis also indicated that respondents within the selected banks view that *Innovativeness* has a positive influence on *Supportive Learning Environment*; *Concrete Learning Processes* and *Leadership Reinforces Learning.* A negative relationship was signified between *Innovativeness* and *Learner Behaviour*.

This means that corporate training divisions that regularly introduce new transformational products and services and have increased the number of new products and service offerings during the past two years tend to lead to a division in which employees feel safe disagreeing with others, asking naive questions, owning up to mistakes and presenting minority viewpoints. In addition these innovative training divisions apply formal processes for generating, collecting, interpreting and disseminating information. These divisions also have organisational leaders that display a willingness to entertain alternative viewpoints, signal the importance of spending time on problem identification, knowledge transfer and reflection and engaging in active questioning and listening.

This further means that the more innovative training organisations are, the less these organisations ensure that on-the-job behaviours and application into the workplace of what has been learnt have taken place.

The results of the multiple regression analysis furthermore, disclosed that respondents within the selected banks perceived that *Autonomy* has a positive influence on *Learner Behaviour*; *Supportive Learning Environment* and *Leadership Reinforces Learning.*

Therefore, corporate training divisions wherein employees are encouraged to manage their own work processes, without continual supervision, being allowed the flexibility to be creative and try different methods to do their work, ensure that on-the-job behaviours and application into the workplace of what has been learnt take place. A training division which fosters autonomy leads to a division in which employees feel safe disagreeing with others, asking naive questions, owning up to mistakes and presenting minority viewpoints. Furthermore, in these training divisions leaders display a willingness to entertain alternative viewpoints, signalling the importance of spending time on problem identification, knowledge transfer and reflection, as well as engage in active questioning and listening.

The results of the multiple regression analysis also disclosed that respondents within the selected banks perceive that *Risk-Taking* has a positive influence on *Learning*; *Business Results* and *Return on Investment.*

Therefore, corporate training divisions which adopt the inclination towards accepting high risk projects, and when confronted with uncertainly, adopts a bold posture and maximises the probability of exploiting opportunities, tend to be more successful regarding the principles, facts and techniques that are understood and absorbed by learners. These risk-taking training divisions tend to lead to the improvement of the desired business results due to the impact of the training programs as well as to the positive benefits of training programs where the benefits exceed the costs of the training programs.

5.2.5 The relationship between selected demographic variables and the constructs

The statistical and practical significance of the relationship between the age groups; gender and highest academic qualifications and the constructs

measuring entrepreneurial orientation and success factors of corporate training organisations were investigated.

A statistically significant difference ($p<0.05$) in terms of the mean values in which respondents of 39 years and younger and respondents of 40 years and older perceived six variables, namely *Competitive Aggressiveness*; *Learning; Learner Behaviour*; *Business Results*; *Return on Investment* and *Supportive Learning Environment* were indicated. Practical statistical significances which yielded medium effect sizes for *Learner behaviour* and *Return on Investment* were noted. The Kirkpatrick model of training evaluation has been the preferred method for the last 30 years, and it is possible that generational theory suggests a different perception of this trusted model among the different generations. The generation x employee (born between 1965 and 1981) for example is saying “no” to traditional management approaches in the workplace (Lyon, Leg & Toulson, 2006: 93).

No statistical significant differences were observed in the mean values of males and females. All the variables delivered *p*-values greater than 0.05.

A statistically significant difference ($p<0.05$) in terms of the mean values in which respondents with a highest qualification being a diploma or lower, and respondents with a highest qualification being a degree or higher perceive *Learning*; *Learner Behaviour*; *Return on Investment* and *Concrete Learning Processes* were reflected. However, no practical statistical significances were noted.

5.3 RECOMMENDATIONS

Bearing in mind that the corporate training divisions within the banking industry operate within highly governed environments, and under the vision, mission and values of their constituent corporate organisations, the following recommendations are made to possibly increase entrepreneurial orientation within corporate training divisions of the banking industry. These

recommendations are made based on the results from the literature and empirical studies:

- **Growing entrepreneurial leaders.** The ancient Greeks are said to have coined the phrase: “A fish rots from the head down” (Carroll, 2011: 12). This means that when an organisation fails, it is the leadership that is to blame. Conversely entrepreneurial leaders may also spawn entrepreneurial orientation within divisions. Development plans for employees within corporate training divisions may be adapted to include entrepreneurial competencies. A focus on the dimensions of competitive aggressiveness, innovativeness, autonomy and risk-taking should be prevalent, which according to the empirical study had a positive relationship to some of the success factors of corporate training divisions. The education and training development sector may also consider including entrepreneurial competencies into the qualification for education and training development practitioners that is currently under review, to in such a way increase entrepreneurial orientation within the broader education and training development community.

- **Reward.** The link between measurement and reward within corporate training divisions should be such that entrepreneurial behaviour should be rewarded. People will, when judged on the basis of metrics, become that which is measured (Ariely, 2010). If entrepreneurial orientation is measured and rewarded, the chances are that the general entrepreneurial orientation within the division will amplify.

- **Innovativeness.** An important competence to nurture and grow within corporate training divisions, specifically within the banking industry is creativity. The training division should explore ways in which new products and services can be introduced within a shorter time-to-market period. Technological advancements within the banking industry should be matched with equally creative and technological savvy training products, such as using mobile technology to aid in the learning process (Piers, 2011).

- **Increase competitive aggressiveness.** To increase the competitive aggressiveness within corporate training divisions within the banking industry, the division should be able to aggressively respond to industry or market trends. Divisions could join a Learning and Development Community of Practice to give employees the exposure to imminent industry and market trends. Employees will have the opportunity to share best practices with other practitioners within the banking and other industries without compromising on competitive advantages.

- **Autonomy.** Employees within corporate training divisions within the banking industry should be encouraged to manage their own work processes. A milieu should be developed within the workplace where employees are allowed the flexibility to be creative and try different methods to do their work, without compromising on the banks' policies or project deadlines. Quality and creative forums can be set up where once a month best practices may be shared among all training division employees.

- **Risk-taking.** Caution should be exercised within corporate training divisions specifically within the banking industry when it comes to risk-taking. The banking industry is by nature more risk-averse, due to the strictly governed nature of the sector. However, within the confinements of the banking rules and regulations, corporate training divisions should focus on exploiting viable opportunities as they arise.

5.4 ACHIEVEMENT OF OBJECTIVES

The success of this research study is dependent on the realisation of the primary and secondary objectives as set out under section 1.3 in Chapter 1 of this study.

5.4.1 Primary objectives re-visited

The primary objective of this study was to investigate the impact of entrepreneurial orientation on the perceived success of corporate training

divisions within selected South African banks. To address the primary objective, the secondary objectives were formulated.

5.4.2 Secondary objectives re-visited

The following secondary objectives were formulated:

- To define entrepreneurship as well as intrapreneurship by means of a literature review.
- To define entrepreneurial orientation and identify and comprehend the constructs measuring entrepreneurial orientation by means of a literature review.
- To identify the success factors of corporate training divisions by means of a literature review.
- To obtain insight into the current state of the banking industry and corporate training environments by means of a literature review.
- To review entrepreneurial orientation assessed within the banking industry and corporate training divisions by means of a literature review.
- To assess the entrepreneurial orientation and perceived success factors currently prevalent in corporate training divisions within selected South African banks.
- To investigate the relationship between entrepreneurial orientation and the perceived success of corporate training divisions within selected South African banks.
- To investigate the relationship between selected demographic factors and the constructs of entrepreneurial orientation and perceived success factors of corporate training divisions within selected South African banks.
- To use the results of the empirical research to draw conclusions and make recommendations.

The achievement of the abovementioned objectives were obtained as follows:

- The first objective namely, **To define entrepreneurship as well as intrapreneurship by means of a literature review**, was achieved through a

comprehensive literature study in chapter 2 and specifically in sections 2.2 and 2.4.2.

- The second objective, **To define entrepreneurial orientation and identify and comprehend the constructs measuring entrepreneurial orientation by means of a literature review,** was achieved through a comprehensive literature study in chapter 2 and specifically in sections 2.5 and 2.7 – 2.8**.**
- The third objective, **To identify the success factors of corporate training divisions by means of a literature review**, was achieved through a comprehensive literature study in chapter 3 and specifically in section 3.6.
- The fourth objective namely, **To obtain insight into the current state of the banking industry and corporate training environments by means of a literature review**, was achieved through a comprehensive literature study in chapter 3 and specifically in sections 3.2 and 3.4.
- The fifth objective namely, **To review entrepreneurial orientation assessed within the banking industry and corporate training divisions by means of a literature review**, was achieved through a comprehensive literature study in chapter 3 and specifically sections 3.3 and 3.5.
- The sixth objective, **To assess the entrepreneurial orientation and perceived success factors currently prevalent in corporate training divisions within selected South African banks** was achieved in the empirical study encapsulated in chapter 4 of the study.
- The seventh objective, namely **To investigate the relationship between entrepreneurial orientation and the perceived success** of corporate training divisions within selected South African banks was also achieved through an empirical study contained in chapter 4 of this study.
- The eighth objective, namely **To investigate the relationship between selected demographic factors and the constructs of entrepreneurial orientation and perceived success factors of corporate training divisions within selected South African banks** was achieved through the empirical study contained in chapter 4 of this study and specifically section 4.9.

- The ninth objective, **To use the results of the empirical research to draw conclusions and make recommendations**, was achieved in sections 5.2 and 5.3 of chapter 5 in this study.

5.5 SUGGESTIONS FOR FURTHER RESEARCH

From the study it is evident that the corporate training divisions of selected South African banks that were selected as part of this research study are displaying an entrepreneurial orientation and that there is a positive relationship between innovativeness, competitive aggressiveness, autonomy and risk-taking and some success factors of corporate training organisations. Corporate training divisions within the banking industry operate within a highly governed environment that may stifle entrepreneurial constructs such as risk-taking and innovativeness. A suggestion for further research is to determine whether corporate training organisations within other industries display a different level of entrepreneurship than those within the banking sector.

5.6 SUMMARY

The global recession is far from over. The banking industry in South Africa operates at the heart of the economy and as such pressures are mounting to compete for market share and growth and in essence drive an entrepreneurial orientation. Corporate training organisations functioning within the banking sector are equally required to operate entrepreneurially to support banking employees to fulfil their roles. This study proved that a positive correlation exists between the dimensions of entrepreneurial orientation and some of the success factors of corporate training divisions.

An entrepreneurial orientation may be cultivated within corporate training divisions within the banking industry by building entrepreneurial competencies into development plans of employees; by rewarding entrepreneurial behaviour and by giving employees the exposure to imminent industry and market trends. Best practices should be shared among colleagues within a Community of Practice without the risk of damaging competitive advantage. Technological

advancements should be used within training divisions to increase speed-to-market of new training products and services. Furthermore, employees should be given the autonomy and allowed the flexibility to try new creative ideas.

An entrepreneurial orientation within organisations is seen as a competitive advantage, and corporate training organisations within the banking industry should build processes and procedures to nurture these competencies within the organisation.

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APPENDIX 1

ENTREPRENEURIAL ORIENTATION WITHIN CORPORATE TRAINING DIVISIONS OF SELECTED SOUTH AFRICAN BANKS

Dear respondent.

Thank you for your time and participation in this survey.

The banking industry is facing increasing competitive pressures, and responds through innovation, particularly in the technological field. Market share and being first with innovative products depict the context in which corporate training divisions need to ensure that they enable employees to deliver on business goals. Corporate training divisions need to ensure that they provide just-in-time training, cost-effectively in an ever changing environmental context.

Entrepreneurship within the organisation may enable business survival and competitiveness, and many businesses and researchers now recognise corporate entrepreneurship, and an entrepreneurial orientation as a critical factor in the success of organisations.

This survey aims to measure the entrepreneurial orientation within corporate training divisions, as well as the success factors currently prevalent in corporate training divisions within selected South African banks. Your honest opinion regarding the various statements is valued.

The survey is divided into three sections:

Section A is the Entrepreneurial Orientation questionnaire.

Section B measures the Success Factors currently prevalent in training divisions.

Section C consists of Biographical information.

Please complete every statement / question to ensure the validity of this study.

GENERAL INSTRUCTIONS:

Please answer the questions by clicking on the most appropriate option which best describes your opinion about a specific question or statement.

Use the following key to indicate your preference:

Grade	Terms used
1	Totally disagree
2	Disagree
3	Uncertain
4	Agree
5	Strongly agree

In the example below, the respondent agreed to the statement listed.

	Statement	Totally disagree	Disagree	Uncertain	Agree	Strongly Agree
A1	I have enough autonomy in my job without continual supervision to do my work.	1	2	3	X 4	5

SECTION A: ENTREPRENEURIAL ORIENTATION

The purpose of this questionnaire is to determine the entrepreneurial orientation within corporate training divisions. Please read every statement thoroughly and decide how you feel about it, before making a selection. Please answer ALL the questions to ensure the reliability of this study.

This section consists of 27 questions. Please indicate which statement best describes your opinion by selecting that alternative.

1 = Totally DISAGREE	2 = DISAGREE	3 = Uncertain	4 = AGREE	5 = Strongly AGREE

AUTONOMY							
A1	I have enough autonomy in my job without continual supervision to do my work.	**1**	**2**	**3**	**4**	**5**
A2	Our training division allows me to be creative and try different methods to do my job.	**1**	**2**	**3**	**4**	**5**
A3	Employees in our training division are allowed to make decisions without going through elaborate justification and approval procedures.	**1**	**2**	**3**	**4**	**5**
A4	Employees in our training division are encouraged to manage their own work and have flexibility to resolve problems.	**1**	**2**	**3**	**4**	**5**
A5	I seldom have to follow the same work methods or steps while performing my major tasks from day to day.	**1**	**2**	**3**	**4**	**5**
INNOVATIVENESS							
I1	Our training division regularly introduces new services/products/processes.	**1**	**2**	**3**	**4**	**5**
I2	Our training division places a strong emphasis on new and innovative products/ services/processes.	**1**	**2**	**3**	**4**	**5**
I3	Our training division has increased the number of services/products offered during the past two years.	**1**	**2**	**3**	**4**	**5**
I4	Our training division is continually pursuing new opportunities.	**1**	**2**	**3**	**4**	**5**
I5	Over the past few years, changes in our processes, services and product lines have been quite dramatic.	**1**	**2**	**3**	**4**	**5**
I6	In our training division there is a strong relationship between the number of new ideas generated and the number of new ideas successfully implemented.	**1**	**2**	**3**	**4**	**5**
I7	Our training division places a strong emphasis on continuous improvement in products/service delivery/processes.	**1**	**2**	**3**	**4**	**5**

I8	We have a widely held belief that innovation is an absolute necessity for the training division's future.	**1**	**2**	**3**	**4**	**5**
I9	Our leaders seek to maximise value from opportunities without constraint to existing models, structures or resources.	**1**	**2**	**3**	**4**	**5**
RISK-TAKING						
R1	When confronted with uncertain decisions, our training division typically adopts a bold posture in order to maximise the probability of exploiting opportunities.	**1**	**2**	**3**	**4**	**5**
R2	In general, our training division has a strong inclination towards high-risk projects.	**1**	**2**	**3**	**4**	**5**
R3	Owing to the environment, our training division believes that bold, wide-ranging acts are necessary to achieve objectives.	**1**	**2**	**3**	**4**	**5**
R4	Employees are often encouraged to take calculated risks concerning new ideas.	**1**	**2**	**3**	**4**	**5**
R5	The term "risk-taker" is considered a positive attribute for employees in our training division.	**1**	**2**	**3**	**4**	**5**
PROACTIVENESS						
P1	Our training division is very often the first to introduce new products/services/ processes.	**1**	**2**	**3**	**4**	**5**
P2	Our training division typically initiates actions which competitors respond to.	**1**	**2**	**3**	**4**	**5**
P3	Our training division continuously seeks out new products/processes/services.	**1**	**2**	**3**	**4**	**5**
P4	Our training division continuously monitors market trends and identifies future needs of customers.	**1**	**2**	**3**	**4**	**5**
COMPETITIVE AGGRESSIVENESS						
C1	In dealing with competitors our training division typically adopts a very competitive "undo-the-competitor" posture.	**1**	**2**	**3**	**4**	**5**
C2	Our training division is very aggressive and intensely competitive.	**1**	**2**	**3**	**4**	**5**
C3	Our training division effectively assumes an aggressive posture to combat industry trends that may threaten our survival or competitive position.	**1**	**2**	**3**	**4**	**5**
C4	Our training division knows when it is in danger of acting overly aggressively (this could lead to erosion of our division's reputation or to retaliation by competitors).	**1**	**2**	**3**	**4**	**5**

SECTION B: SUCCESS FACTORS

The purpose of this questionnaire is to determine the success factors within corporate training divisions. Please read every statement thoroughly and decide how you feel about it, before making a selection. Please answer ALL the questions to ensure the reliability of this study.

This section consists of 56 questions. Please indicate which statement best describes your opinion by selecting that alternative.

1 = Totally DISAGREE	2 = DISAGREE	3 = Uncertain	4 = AGREE	5 = Strongly AGREE

	REACTION– KIRKPATRICK'S 1st level of evaluation					
	Learner Reaction is defined as measuring the feelings of learners on the training program. Reactions to the subject, the techniques used in training as well as the performance of the trainer is determined as part of this level.					
SR1	Learner reaction to all our training programs is assessed.	**1**	**2**	**3**	**4**	**5**
SR2	Learner reaction sheets used, measure the desired feelings of learners.	**1**	**2**	**3**	**4**	**5**
SR3	A written or electronic comment sheet is used to determine the reaction of learners.	**1**	**2**	**3**	**4**	**5**
SR4	The learner reaction sheets used provide for the tabulation and quantification of learners' feelings.	**1**	**2**	**3**	**4**	**5**
SR5	The reaction sheets measuring learners' feelings are completed anonymously.	**1**	**2**	**3**	**4**	**5**
SR6	The learner reaction sheets provide space for additional comments for learners to write in.	**1**	**2**	**3**	**4**	**5**
SR7	The learner reaction sheet is used to make improvements such as to the course material.	**1**	**2**	**3**	**4**	**5**
SR8	The learner reaction sheets are used to determine patterns of reactions.	**1**	**2**	**3**	**4**	**5**
SR9	Other parties such as the training co-ordinator, a trained observer or training manager are also requested to complete a reaction sheet and the results are compared to the results of the learners.	**1**	**2**	**3**	**4**	**5**
SR10	Acceptable standards are developed against which reaction sheets are measured.	**1**	**2**	**3**	**4**	**5**

LEARNING– KIRKPATRICK'S 2nd level of evaluation.						
Learning is defined as the principles, facts and techniques that were understood and absorbed by the learners during the training program.						
SL1	The learning (knowledge, skill and/or attitude) of each learner is measured quantitatively.	**1**	**2**	**3**	**4**	**5**
SL2	Pre-and post tests are used to assess the learning obtained through training programs.	**1**	**2**	**3**	**4**	**5**
SL3	Learning measurement instruments used are objective.	**1**	**2**	**3**	**4**	**5**
SL4	Comparisons of learning against a control group that did not receive training are used, where it is practical.	**1**	**2**	**3**	**4**	**5**
SL5	Learning results are analysed statistically so that learning may be proved in terms of correlation and level of confidence.	**1**	**2**	**3**	**4**	**5**
SL6	Feedback from knowledge, skill and/or attitude level is used to take appropriate action.	**1**	**2**	**3**	**4**	**5**
SL7	There is a knowledge, skill and/or attitude assessment after each learning program our division offers.	**1**	**2**	**3**	**4**	**5**
BEHAVIOUR– KIRKPATRICK'S 3rd level of evaluation.						
Behaviour refers to the on-the-job behaviours and application into the workplace of what was learnt.						
SB1	Our division performs a systematic appraisal of on-the-job performance before and after a training program.	**1**	**2**	**3**	**4**	**5**
SB2	On-the-job performance assessment is done by one or more of the following groups: The person receiving training, the supervisor, subordinates, peers or others thoroughly familiar with the performance of the learner.	**1**	**2**	**3**	**4**	**5**
SB3	Our division performs a statistical analysis of on- the- job performance before and after training so that changes may be related to the training program.	**1**	**2**	**3**	**4**	**5**
SB4	Our division performs post-training appraisal of on-the-job performance 3 months or more after the training so that the learner has the opportunity to put in practice what they have learnt.	**1**	**2**	**3**	**4**	**5**
SB5	Our division uses an appropriate sampling (% of the target audience) when assessing on-the-job performance.	**1**	**2**	**3**	**4**	**5**
SB6	Our division repeats the appraisal of on-the-job performance a few times after the training program.	**1**	**2**	**3**	**4**	**5**
SB7	Our division considers the cost of evaluating on-the-job performance compared to the benefits, before engaging in an evaluation.	**1**	**2**	**3**	**4**	**5**
SB8	A control group is used to assess on-the-job performance against employees that did not receive the training.	**1**	**2**	**3**	**4**	**5**

Results– KIRKPATRICK'S 4th level of evaluation						
Results refer to the improvement of the desired business results.						
SRes1	Our division measures the business results of selected training programs (such as drop in reworks, and increase in sales).	**1**	**2**	**3**	**4**	**5**
SRes2	Our organisation states the desired results as part of the objectives of our training programs (such as reduction of costs, decrease in employees' turnover, and increase in quality).	**1**	**2**	**3**	**4**	**5**
SRes3	The reaction of learners, learning acquired and the increase in "on-the-job" performance is assessed as part of assessing the business results of training programs.	**1**	**2**	**3**	**4**	**5**
SRes4	When determining the business results of training programs, those variables that may have an impact on the business results (other than training-related) are highlighted.	**1**	**2**	**3**	**4**	**5**
SRes5	As part of assessing the business results of training programs, the business results are measured before and after the occurrence of the training program for comparative purposes.	**1**	**2**	**3**	**4**	**5**
SRes6	As part of assessing the business results of training programs a control group of employees that did not receive training is used for comparative purposes, if this is feasible.	**1**	**2**	**3**	**4**	**5**
SRes7	Enough time is allowed for on-the-job performance to translate into business results before business results are measured after a training program.	**1**	**2**	**3**	**4**	**5**
SRes8	Measurement of business results after a training program is repeated at appropriate times.	**1**	**2**	**3**	**4**	**5**
SRes9	The costs versus benefits are considered before evaluating the impact of training programs on business results.	**1**	**2**	**3**	**4**	**5**
SRes10	Our division is satisfied with the evidence, if absolute proof is not possible to show the impact of training programs on business results.	**1**	**2**	**3**	**4**	**5**

RETURN ON INVESTMENT- Phillips						
SROI1	Our division determines the Return on Investment on selected training programs.	**1**	**2**	**3**	**4**	**5**
SROI2	As part of our division's Return on Investment assessment of training programs, level 4 evaluation data is also collected (business impact of training).	**1**	**2**	**3**	**4**	**5**
SROI3	The effects of training are isolated from other factors that may have contributed to the results, as part of our division's Return on Investment assessment.	**1**	**2**	**3**	**4**	**5**
SROI4	The results of training programs are converted to a monetary benefit as part of our division's Return on Investment assessment.	**1**	**2**	**3**	**4**	**5**
SROI5	The total costs of the training program are deducted from the monetary benefits obtained through the training program as part of our division's Return on Investment assessment.	**1**	**2**	**3**	**4**	**5**
SROI6	Our division also includes non-monetary benefits as additional evidence of the training program's success.	**1**	**2**	**3**	**4**	**5**
SUPPORTIVE LEARNING ENVIRONMENT- LEARNING ORGANISATION						
SSLE1	Employees in our training division feel safe disagreeing with others.	**1**	**2**	**3**	**4**	**5**
SSLE2	Employees in our training division feel safe to ask naive questions.	**1**	**2**	**3**	**4**	**5**
SSLE3	Employees in our training division feel safe to present minority viewpoints.	**1**	**2**	**3**	**4**	**5**
SSLE4	Employees in our training division recognise the value of opposing ideas.	**1**	**2**	**3**	**4**	**5**
SSLE5	Employees in our training division take risks and explore the unknown.	**1**	**2**	**3**	**4**	**5**
SSLE6	Employees in our training division take time to review the organisational processes.	**1**	**2**	**3**	**4**	**5**
CONCRETE LEARNING PROCESSES - LEARNING ORGANISATION						
SCLP1	Our training division has formal processes for generating, collecting, interpreting and disseminating information.	**1**	**2**	**3**	**4**	**5**
SCLP2	Our training division has formal processes for experimenting with new offerings.	**1**	**2**	**3**	**4**	**5**
SCLP3	Our training division has formal processes for gathering information on competitors, customers and technological trends.	**1**	**2**	**3**	**4**	**5**
SCLP4	Our training division has formal processes for indentifying and solving problems.	**1**	**2**	**3**	**4**	**5**
SCLP5	Our training division has formal processes for developing employees' skills.	**1**	**2**	**3**	**4**	**5**

LEADERSHIP REINFORCES LEARNING- LEARNING ORGANISATION						
SLRL1	Our training division's leaders demonstrate willingness to consider alternative viewpoints.	**1**	**2**	**3**	**4**	**5**
SLRL2	Our training division's leaders signal the importance of spending time on problem identification.	**1**	**2**	**3**	**4**	**5**
SLR3	Our training division's leaders signal the importance of spending time on knowledge transfer.	**1**	**2**	**3**	**4**	**5**
SLR4	Our training division's leaders signal the importance of spending time on reflection.	**1**	**2**	**3**	**4**	**5**
SLRL5	Our training division's leaders engage in active questioning and listening.	**1**	**2**	**3**	**4**	**5**

SECTION C: BIOGRAPHICAL INFORMATION

The following information is required to assist with the statistical analysis of data for comparison among different interest groups. Responses will be treated confidentially. Your assistance in providing this important information will be highly appreciated.

Mark the appropriate response with an X.

C01	Indicate your age group	≤ 29	30-39	40-49	50-59	60+

C02	Indicate your gender	Male	Female

C03	Indicate your race	Black	White	Indian	Coloured

C04	Indicate your grading within the organisation	
	General staff	
	Junior Management	
	Middle Management	
	Senior Management	
	Executive	

C05	Indicate your highest academic qualification	
	Lower than matric	
	Matric	
	Certificate	
	Diploma	
	Degree	
	Post-Graduate Degree	

THANK YOU FOR YOUR TIME IN COMPLETING THIS SURVEY