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**CORPORATE ENTREPRENEURSHIP AND EMPLOYEE ENGAGEMENT:
INVESTIGATING THE CONNECTION**

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| Abstract | | | |
| <p>The study of employee engagement has become a prominent topic in scientific research and modern-day business world. Organizations that aim to describe their employees as dedicated, vigorous, and absorbed in their work, are stating that they value employee engagement as a critical aspect of their operations. However, knowledge on the drivers of employee engagement is fragmented, and various suggestions have emerged from current research, which this thesis aims to contribute to.</p> <p>Corporate entrepreneurship has attracted interest among both academics and practitioners since the turn of the millennium. Organizations are increasingly seeking to create an environment of corporate entrepreneurship to foster innovation, proactivity and risk-taking. The academic literature regarding antecedents of corporate entrepreneurship highlights five antecedents, namely rewards and reinforcements, management support, work discretion and autonomy, time availability, and organizational boundaries.</p> <p>The focus of this thesis is to investigate whether these five antecedents, which create an environment of innovation, proactiveness, and risk-taking, could also serve as antecedents for fostering employee engagement. The research methodology employed is qualitative in nature, and the central question of the study is to understand the relationship between the antecedents of corporate entrepreneurship and employee engagement within the Finnish office of a multinational IT company.</p> <p>Through an in-depth analysis of the interview data, this study identifies new dimensions of rewards and reinforcements, management support, work discretion and autonomy, time availability, and organizational boundaries that are critical to understanding the complexities of employee engagement. The revised framework offers a more nuanced understanding of the factors that drive employee engagement and will serve as a useful guide for practitioners seeking to enhance engagement within their organizations. Additionally, this thesis contributes to the research of employee engagement by enhancing our understanding of the connection between the antecedents of corporate entrepreneurship and employee engagement.</p> | | | |
| Keywords Employee engagement, corporate entrepreneurship | | | |
| Additional information | | | |

CONTENTS

Abstract

Contents

Figures and tables

| | | |
|----------|--|-----------|
| 1 | INTRODUCTION..... | 6 |
| 1.1 | Research gap..... | 8 |
| 1.2 | Aim of the research topic..... | 9 |
| 1.3 | Methodology..... | 9 |
| 1.4 | Structure of the thesis..... | 10 |
| 2 | CORPORATE ENTREPRENEURSHIP..... | 13 |
| 2.1 | Defining entrepreneurship..... | 13 |
| 2.2 | Defining corporate entrepreneurship..... | 15 |
| 2.3 | Corporate entrepreneurial activities..... | 20 |
| 2.4 | Antecedents of corporate entrepreneurship..... | 22 |
| 3 | EMPLOYEE ENGAGEMENT..... | 27 |
| 3.1 | Defining employee engagement..... | 27 |
| 3.2 | The burnout-anthesis approach..... | 29 |
| 3.3 | Drivers of engagement..... | 31 |
| 3.4 | Summary of the theoretical framework..... | 35 |
| 4 | RESEARCH DESIGN AND METHODOLOGY..... | 37 |
| 4.1 | Qualitative case study..... | 37 |
| 4.2 | Data collection..... | 38 |
| 4.3 | Data analysis..... | 39 |
| 5 | FINDINGS..... | 43 |
| 5.1 | Rewards & Reinforcements..... | 44 |

| | | |
|-----|--|----|
| 5.2 | Management support | 48 |
| 5.3 | Work discretion & autonomy | 50 |
| 5.4 | Time availability | 55 |
| 5.5 | Organizational boundaries | 58 |
| 5.6 | Revised theoretical frame work | 60 |
| 6 | DISCUSSIONS | 63 |
| 7 | CONCLUSIONS | 69 |
| 7.1 | Theoretical conclusions | 69 |
| 7.2 | Managerial conclusions..... | 71 |
| 7.3 | Limitations and proposals for future research..... | 71 |
| | REFERENCES | 73 |
| | APPENDIX | 85 |

FIGURES

Figure 1. Corporate entrepreneurship and its dimensions; Authors own interpretation adapted from Morris, Kuratko & Covin, (2008)20

Figure 2. Antecedents of corporate entrepreneurship; Authors own interpretation adapted from Hornsby, Kuratko & Zahra, (2002).....24

Figure 3. How does employee engagement manifest itself? Authors own interpretation.....31

Figure 4. Conceptual model of corporate entrepreneurship and employee engagement; Authors own interpretation adapted from Kassa & Raju, (2015)..35

Figure 5 Transcriptions coded into the five antecedents of corporate entrepreneurship.....43

Figure 6 Theoretical framework revised based on the finding of the study.....61

TABLES

Table 1. Definitions for the term corporate entrepreneurship17-19

Table 2. Example of the reduction process41

Table 3. Example of the coding process41-42

1 INTRODUCTION

Employee engagement has become a popular topic in recent years, but there is still a lack of critical academic literature on the subject (Robinson, Perryman & Hayday, 2004). Even though engagement is acknowledged as an important driver of competitiveness by most organizations, confusion surrounding the concept is present (Kular, Gatenby, Rees, Soane & Truss, 2008). Engagement has been defined and measured in numerous ways, and researchers and practitioners have competing and inconsistent interpretations of its meaning (Borah & Barua, 2018).

Despite the above mentioned, employee engagement is generally seen as a strong predictor of positive organizational performance. Emotional attachment to both the organization and job, as well as motivation to contribute to the success of the employer are examples of these predictors. Managers recognize the importance of employee engagement in the current business environment, which requires greater efficiency and productivity. (Kular et al., 2008; Macey & Schneider, 2008; Markos & Sridevi, 2010; Saks, 2006.) Employees who are engaged tend to maintain a positive outlook, cultivate strong interpersonal relationships, and consistently exhibit exemplary performance within their respective organizations (Jena, Pradhan & Panigrahy, 2018). Research has demonstrated that employee engagement not only impacts a company's bottom line but is also strongly correlated with organizational performance (Saks, 2017). To achieve competitiveness now and in the future, companies can no longer rely on measures that have been lucrative in the past, such as cost cutting, taking over rivals or relocating into developing countries (Garvin & Levesque, 2006). As such, it is important for organizations to understand how to foster and leverage employee engagement to improve outcomes and drive business success (Kular et al., 2008; Macey & Schneider, 2008; Markos & Sridevi, 2010; Saks, 2006).

As the number of rivals, start-ups, and incumbents increases, along with maturing technologies and aging product portfolios, competition intensifies, thus giving birth to new sources of competitive advantages, including innovativeness, risk taking, and pro-activeness, all of which are entrepreneurial behaviour in essence (Carrier, 1994; Covin & Miles, 1999; Garvin & Levesque, 2006; Zahra et al., 1999). In the complex, global economy of the 21st century, practically all organisations of size, type, or age rely on

these entrepreneurial behaviours for the sake of exploiting new opportunities, sustaining competitive advantages, and ensuring future success (Barringer & Bluedorn, 1999; Dess, Lumpkin & McGee, 1999; Ireland, Kuratko & Morris, 2006; Kreiser et al., 2020).

Although the term corporate entrepreneurship (CE) is rather ill-defined, it takes the patterns of behaviour present in individual entrepreneurship and places those patterns of behaviour under a corporate setting. Corporate entrepreneurship comprises the entire process of innovation, risk-taking and proactiveness whereby one or more individuals, in association with an established enterprise, create a new organisation or new combinations within that organisation. (Sharma & Chrisman, 1999; Zahra, 1996.) After over 30 years of scientific literature on the topic, one can conclude that the causality between CE and company performance is compelling to say the least. Already in 1971, Peterson and Berger (1971) demonstrated that CE generates new revenue streams by increasing the number of new businesses formed in the organization. In addition, Miller (1983) substantiated that CE manifests as risk taking, pro-activeness and radical product innovations, thus increasing both growth and profitability of the organization. (Zahra, Nielsen & Bogner, 1999.)

This study aims to examine the connection between corporate entrepreneurship and employee engagement. While both corporate entrepreneurship and employee engagement have been studied separately, there is a scarcity of research that combines the two constructs. According to Cropanzano and Mitchell (2005), social exchange in the workplace improves when businesses prioritize the well-being and support of their employees. This can include providing management-level support, allowing flexibility in work hours and decision-making, establishing clear organizational boundaries, and recognizing and rewarding creativity and innovation, all of which are antecedents of corporate entrepreneurship. (Antoncic & Hisrich, 2001; Burgers et al., 2009; Grande et al., 2011; Maes & Sels, 2014; Marvel et al., 2007; Monsen et al., 2010; Wang et al., 2015; Zahra, 1991.) As a result, employees are more likely to be motivated and engaged in their work, leading to improved business performance. Essentially, when employees feel that their employer values and cares for them, they are more likely to demonstrate their commitment to the company through their efforts and performance. (Saks, 2006.) The objective of this study is to enhance the existing body of knowledge

by investigating the connection between corporate entrepreneurship and employee engagement.

1.1 Research gap

As mentioned above, the connection between corporate entrepreneurship (CE) and employee engagement has not been extensively studied. This qualitative study aims to fill this gap by using a deductive approach to combine existing literature on CE and employee engagement to propose a conceptual framework linking the two. This framework has the potential to improve employee engagement and enhance business outcomes when refined empirically. It is important to note that while CE is a company-level effort, it is the employees who carry out and practice such initiatives. Therefore, the proactive attitude of employees towards their work is crucial for achieving business goals. (Ahmed, Umrani, Zaman, Rajput & Aziz, 2020; Dhanpat & Schachtebeck, 2019; Kassa & Raju, 2015.)

Corporate entrepreneurship (CE) has been studied for over 30 years and although there is a consensus amongst scholars regarding CE being a factor in promoting and sustaining corporate competitiveness (Covin & Miles, 1999; Hornsby, Kuratko & Zahra, 2002), there is a lack of research investigating the relationship between CE and employee engagement (Kassa & Raju, 2015). Moreover, in a critical review conducted by Sakhdari (2016), papers related to corporate entrepreneurship literature from top tier journals published between the period of 1990 to 2015 were reviewed. From this inclusive review of previous important studies, Sakhdari emphasizes the dearth of individual-level research regarding corporate entrepreneurship. Corporate entrepreneurship and its antecedents have been strongly linked to promoting innovative activities (Kuratko et al., 2021), and this thesis sets out to investigate whether such linkage can be found between the antecedents of corporate entrepreneurship and employee engagement.

In conclusion, it is evident that there exists a strong correlation between corporate entrepreneurship and the advantages it offers to organizations as well as the positive impact of an engaged workforce. Nonetheless, there is still a need to further explore the relationship between these two concepts.

1.2 Aim of the research topic

The aim and objective of this thesis stem from the research gap in the field of corporate entrepreneurship and employee engagement. The primary goal of this thesis is to gain an in-depth understanding of the factors that are critical in creating engagement within a Finnish office of a multinational IT company. To achieve this aim, a comprehensive review of existing literature will be conducted, followed by qualitative empirical research. Additionally, this study aims to examine the connection between corporate entrepreneurship and employee engagement and provide a clearer understanding of the relationship between these two concepts.

Formulated to fulfil these aims, the research question of this study is:

“What is the relationship between antecedents of corporate entrepreneurship and employee engagement in a Finnish office of a multinational IT company.”

1.3 Methodology

This subsection of the introductory paragraph will describe the approach taken in the research. For this thesis, two main methodologies were used: a literature review and a semi-structured qualitative study.

The literature review involved searching and studying existing research on the topic of corporate entrepreneurship and employee engagement. This allowed for a comprehensive understanding of the current state of knowledge on the topic and the identification of any gaps or areas for further investigation. The references utilized in this thesis were primarily sourced from the EBSCO host databases Business Source Complete and Academic Search Premier. Additional databases utilized included the Oulu University library's database and Google Scholar. Keywords employed in the literature search included, but were not limited to, terms such as "employee engagement," "corporate entrepreneurship," "entrepreneurship," "CEAI," "sisäinen yrittäjyys," "social exchange theory," and "engagement and corporate entrepreneurship." In addition to utilizing keywords to search for relevant literature, the citation pearl growing strategy was employed. This strategy was particularly useful

in identifying seminal sources frequently cited by authors within the field. Additionally, the Google Scholar feature "Cited by," which lists texts in which a chosen article has been cited, was utilized in identifying more recent literature.

The empirical part of the study involved conducting in-depth interviews with individuals working in the Finnish office of a multinational organization. The data collection is done by conducting a qualitative semi-structured interview, which means that no hypothesis is developed. Instead, the theoretical frameworks highlighted in the literature will be explored through the empirical interviews to see how they play out in the real world. Finally, theoretical frameworks can be mirrored against empirical data to verify and confirm them, and to find new insights into the existing theoretical base. Based on the adapted theoretical framework created through this process, suggestions for future research are raised.

Overall, the combination of these two methodologies allowed for a well-rounded understanding of the topic and the development of new insights and perspectives on the relationship between corporate entrepreneurship and employee engagement.

The focus of this research project falls under the category of exploratory studies. This type of research is well-suited for answering both "how" and "why" questions, as well as generating new theories and ideas (Kothari, 2004). The goal of this thesis is to examine and comprehend the connection between corporate entrepreneurship and employee engagement using semi-structured interviews. These interviews, which will serve as the source of qualitative data, will be conducted with employees from the sales and consulting departments of a multinational corporation. The length of the interviews will vary, but will generally be around 30 minutes in duration, and will be conducted through both in-person and online meetings.

1.4 Structure of the thesis

The organization and structure of the thesis are crucial for its overall effectiveness and clarity. The following section outlines the structure of this thesis, with the aim of providing a roadmap for the reader.

The first chapter of the thesis sets the foundation for the research by establishing the theoretical basis. This starts with the creation of a research domain for entrepreneurship, which provides context and background information for the reader. This section then moves on to define corporate entrepreneurship, exploring its various components and characteristics. In this section, the author delves into the details of the concept, including its history, purpose, and objectives, as well as antecedents of the concept.

The second chapter of the thesis focuses on employee engagement, which is an essential component of the research question. This section begins by defining employee engagement, outlining its importance and the various factors that contribute to it. This part of the thesis provides a comprehensive overview of the concept of employee engagement, including the theories, models, and frameworks used to understand and measure it. This section is concluded by introducing the link between corporate entrepreneurship and employee engagement, thus bridging the gap between the two theoretical frameworks.

The fourth chapter of the thesis is devoted to research design and methodology. Here, the author describes the qualitative research design used to explore the relationship between corporate entrepreneurship and employee engagement in a Finnish office of a multinational IT company. This section includes details on the case company, the data collection methods, and the process of analyzing the research results.

In the fifth chapter of the thesis, the findings of the study are presented, including the analysis of the data collected and the results obtained. The chapter provides practical insights for organizations seeking to foster a more engaged workforce, as well as theoretical insights for researchers and scholars working in this field.

With the findings of the study presented, attention in the sixth chapter is turned towards the discussion of these findings in the light of the existing body of literature.

Finally, the conclusions of the study are presented. This section provides a summary of the general findings, addressing the research question and drawing conclusions based on the data collected and analyzed. The author reflects on the limitations of the

study and offers recommendations for future research. This chapter provides a valuable conclusion to the thesis, tying all the information and concepts together into a coherent and informative piece of research.

2 CORPORATE ENTREPRENEURSHIP

In this chapter, a comprehensive review of the literature surrounding corporate entrepreneurship is presented. Firstly, the fundamental concept of entrepreneurship is defined by drawing upon prior studies and research, ensuring that the reader has a clear understanding of the foundation upon which corporate entrepreneurship is built. Subsequently, the literature review delves into the specifics of corporate entrepreneurship, exploring various definitions and conceptualizations of the term. Additionally, the antecedents that drive and influence corporate entrepreneurship are thoroughly analysed, offering a deeper understanding of the factors that shape the development of this concept.

2.1 Defining entrepreneurship

Entrepreneurship, as an activity, has a long history, dating back to the earliest days of trade among humans. Throughout the centuries, a multitude of definitions have emerged from the extensive scholarly work on the topic, with some of the earliest ones originating from the 18th century. (Dorin & Alexandru, 2014.) In 1755, French economist Richard Cantillon, widely acknowledged as the first economist to depict the role of entrepreneurship in the economy, published a paper in which he defined entrepreneurs as individuals who are "willing to buy at a certain price and to sell at an uncertain price" (Dorin & Alexandru, 2014; Nevin, 2013, p.21). Another notable contribution to the field of entrepreneurship studies came from economist Joseph Schumpeter in the early 1900s. The Austrian economist viewed entrepreneurship as an act of questioning and breaking tradition, resisting the status quo, and guiding the economy towards a new, unknown path. (Brouwer, 2002.) According to Schumpeter, this act of swimming against the current is the very essence of a capitalist system, as innovations evoke creative destruction, leading to economic growth. Schumpeter posits the entrepreneur as the central figure in this process, as the innovator. (Sledzik, 2013.)

After Schumpeter, countless of other scholars have defined entrepreneurship to the point at which the number of definitions nearly equals the number of scholars in the field (Dollinger, 2008, p. 7). One of the reasons for such a vast number of definitions

is that entrepreneurship, as a phenomenon, is a multilateral concept studied in fields such as sociology, anthropology, psychology, and economics, with some treating entrepreneurship as a process, others as a resource and even a state of being (Dorin & Alexandru, 2014; Toma, Grigore & Marinescu, 2014).

These definitions of entrepreneurship show that there are various perspectives and interpretations of what entrepreneurship is. In his writings, B. Hoselitz (1952) describes entrepreneurship as the bearing of uncertainty, introduction of innovations, provision of capital and coordination of productive resources. On the other hand, S. Shane, and S. Venkataraman (2000, p. 218) define entrepreneurship as “the processes of discovery, evaluation, and exploitation of opportunities”. H. Frederick, and D. Kuratko (2010, p. 23) determine entrepreneurship as a process of dynamic nature that involves vision, change and creation. “This process of innovation and new-venture creation is accomplished through four major dimensions – individual, organisational, social and cultural, and process - and is aided by collaborative networks in government, education and institutions”. Scholars Morris and Jones (1999, p. 74) state that entrepreneurship refers to the process of creating value by bringing together a unique combination of resources to exploit an opportunity, whereas Cole (1968, p. 65) writes “entrepreneurship is a purposeful activity to initiate, maintain and develop a profit-oriented business”.

By comparing the definitions mentioned above one can observe similarities such as creativity, innovation, resource identification, economic organization and opportunities under risk and uncertainty. These elements are present in the definition given by Marc Dollinger in his book “Entrepreneurship, Strategies and Resources”. He states the following: “Entrepreneurship, then, is the control and deployment of resources to create an innovative economic organization (or network of organizations) for the purpose of gain or growth under conditions of risk and uncertainty” (Dollinger, 2008, p. 9). In other words, one is considered entrepreneurial if they are leaders or founders of an innovative economic organization that seeks opportunities that either create Schumpeterian creative destruction or provoke market equilibrium, while facing the challenge of creating new values despite the absence of resources (Gedeon, 2010). Entrepreneurship is the creation of new enterprise by means of perseverant pursuit and

exploitation of possibilities (Alvarez, Barney & Anderson, 2013; Low & MacMillan, 1988).

This thesis adopts the definition of Pramodita Sharma and James Chrisman, which aims to clarify the terminology surrounding entrepreneurship, as well as that of Donald Kuratko, which brings the concept into the 21st century by incorporating relevant factors.

“Entrepreneurship encompasses acts of organizational creation, renewal, or innovation that occur within or outside an existing organization” (Sharma & Chrisman, 1999, p. 7).

“Entrepreneurship is a dynamic process of vision, change, and creation. It requires an application of energy and passion towards the creation and implementation of new ideas and creative solutions. Essential ingredients include the willingness to take calculated risks, formulate an effective venture team, marshal the needed resources, build a solid business plan, and, finally, the vision to recognize opportunity where others see chaos, contradiction, and confusion” (Kuratko, 2016, p. 11).

2.2 Defining corporate entrepreneurship

The body of literature available in corporate entrepreneurship does not demonstrate consistency in the efforts to define the term. For instance, Sharma and Chrisman (1999), Jennings and Lumpkin (1989), and Stopford and Baden-Fuller (1994) have attempted to define the term, but there is still confusion in the field. Moreover, reviewing the corporate entrepreneurship literature reveals an obscurity deriving from a multitude of terms given for the same concepts, such as corporate venturing (Burgelman, 1983), intrapreneurship (Pinchot, 1985), internal corporate entrepreneurship (Jones & Butler, 1992), and strategic entrepreneurship (Hitt et al., 2011), to name a few.

For the sake of clarity and to avoid any ambiguities, this chapter consists of an all-encompassing review of the various definitions and dimensions of corporate

entrepreneurship, thus forming an understanding required for assimilating the theoretical concepts of CE.

“Corporate entrepreneurship can be defined as start-up entrepreneurship turned inward” (Pinchot, 1985; Thornberry, 2001; Sambrook & Roberts, 2005)

The conceptualization of corporate entrepreneurship has its roots in the ideas of Joseph Schumpeter (1883-1950), and his comprehension that entrepreneurship acts as one of the prime movers of economic growth. As established in the previous chapter, entrepreneurship is a construct that Schumpeter perceived as “creative destruction”, done by individuals where active discovery of new products or methods of production resulted in displacement or destruction of the current ones. (Barringer & Bluedorn, 1999.) This Schumpeterian entrepreneurship theory acted as a foundation from which scholars oriented their research towards the organizational context (Miller, 1983; Zahra, 1991).

The concept of corporate entrepreneurship has transformed through time and as a consequence of scholars defining the term inconsistently and giving the same definition different terms, literature on the topic deals with overlapping (Jennings & Lumpkin, 1989; Stopford & Baden-Fuller, 1994; Wortman, 1987; Zahra, 1991). Some scholars use terms such as intrapreneurship, internal corporate entrepreneurship, or corporate venturing (Covin & Miles, 1999; Entebang & Harrison, 2012). For the sake of clarity, this thesis will only use the term corporate entrepreneurship or the acronym “CE”.

In addition to the incoherency related to the different terms appearing in the literature, there are also a vast number of different definitions given to corporate entrepreneurship (Sharma & Chrisman, 1999). These definitions are presented and summarized in table 1. Upon examination of the definitions, it can be concluded that various authors concur on qualities of corporate entrepreneurship, exquisite to the domain. However, ambiguity arises as scholars fail to use coherent terminology in their definitions, which indeed is not uncommon in the realm of emerging disciplines (Sharma & Chrisman, 1999).

Table 1 Definitions for the term corporate entrepreneurship

| Author | Definition for corporate entrepreneurship |
|---------------------------|--|
| Burgelman (1983) | Corporate entrepreneurship refers to the process whereby the firms engage in diversification through internal development. Such diversification requires new resource combinations to extend the firm's activities in areas unrelated, or marginally related, to its current domain of competence and corresponding opportunity set. |
| Covin & Slevin (1991) | Corporate entrepreneurship involves extending the firm's domain of competence and corresponding opportunity set through internally generated new resource combinations. |
| Guth & Ginsberg (1990) | Corporate entrepreneurship encompasses two types of phenomena and the processes surrounding them: (1) the birth of new businesses within existing organizations, i.e., internal innovation or venturing; and (2) the transformation of organizations through renewal of the key ideas on which they are built, i.e. strategic renewal. |
| Jennings & Lumpkin (1989) | Corporate entrepreneurship is defined as the extent to which new products and/or new markets are |

| | |
|-------------------------------|---|
| | developed. An organization is entrepreneurial if it develops a higher-than-average number of new products and/or new markets. |
| Schendel (1990) | Corporate entrepreneurship involves the notion of birth of new businesses within on-going businesses, and . . . the transformation of stagnant, on-going businesses in need of revival or transformation. |
| Spann, Adams & Wortman (1988) | Corporate entrepreneurship is the establishment of a separate corporate organization (often in the form of a profit center, strategic business unit, division, or subsidiary) to introduce a new product, serve or create a new market, or utilize a new technology. |
| Vesper (1984) | Corporate entrepreneurship involves employee initiative from below in the organization to undertake something new. An innovation which is created by subordinates without being asked, expected, or perhaps even given permission by higher management to do so. |
| Zahra (1995, 1996) | Corporate entrepreneurship - the sum of a company's innovation, renewal, and venturing efforts. Innovation involves creating and introducing products, production processes, and organizational systems. Renewal means revitalizing the company's operations by changing the scope of its business, its competitive approaches or both. It also means building or |

| | |
|--|--|
| | <p>acquiring new capabilities and then creatively leveraging them to add value for shareholders. Venturing means that the firm will enter new businesses by expanding operations in existing or new markets.</p> |
|--|--|

As previously mentioned, the field of Corporate Entrepreneurship (CE) research has undergone transformation and evolution over time, reflecting the changing focus of researchers. Venture teams and the mechanisms that cause entrepreneurship to thrive within them were the focus of scholarly work in 1970s from which focus shifted towards associating CE with organisational renewal. Macrae (1976) and Pinchot (1985) define corporate entrepreneurs as individuals capable of making the process of technology transfer from R&D to the marketplace more rapid and profitable.

The 1990s saw a shift in CE research towards a holistic view in which innovations were seen as the outcomes of a firm's efforts that were fuelled by corporate entrepreneurship (Kuratko, 2010). To highlight a few from table 1, Zahra (1995, p. 227, 1996, p. 1715) states that "corporate entrepreneurship is the sum of a company's innovation, renewal, and venturing efforts. Innovation involves creating and introducing products, production processes, and organizational systems. Renewal means revitalizing the company's operations by changing the scope of its business, its competitive approaches or both. It also means building or acquiring new capabilities and then creatively leveraging them to add value for shareholders. Venturing means that the firm will enter new businesses by expanding operations in existing or new markets." Concurrently Guth and Ginsberg (1990, p. 5) convey the following: "Corporate entrepreneurship encompasses two types of phenomena and the processes surrounding them: (1) the birth of new businesses within existing organizations, i.e., internal innovation or venturing; and (2) the transformation of organizations through renewal of the key ideas on which they are built, i.e., strategic renewal".

After decades of research, scholars in the early 21st century acknowledge that corporate venturing and strategic renewal are the two main entrepreneurial dimensions through which CE can be defined and furthermore the role of CE in creating

sustainable competitive advantages is highlighted (Kuratko, 2010; Sakhdari, 2016). Sharma, and Chrisman introduced a combinatory definition of CE in an endeavour to bring clarity to the domain. In their writings, Sharma, and Chrisman (1999, p. 18) describe corporate entrepreneurship (CE) as “the process whereby an individual or group of individuals, in association with an existing organization, create a new organization or instigate renewal or innovation within that organization.” This expression encompasses the two different phenomena of corporate entrepreneurship: *corporate venturing*, and *strategic renewal*, which are acknowledged in the strategy literature (Stopford & Baden-Fuller, 1994). These concepts are addressed further in the next chapter.

2.3 Corporate entrepreneurial activities

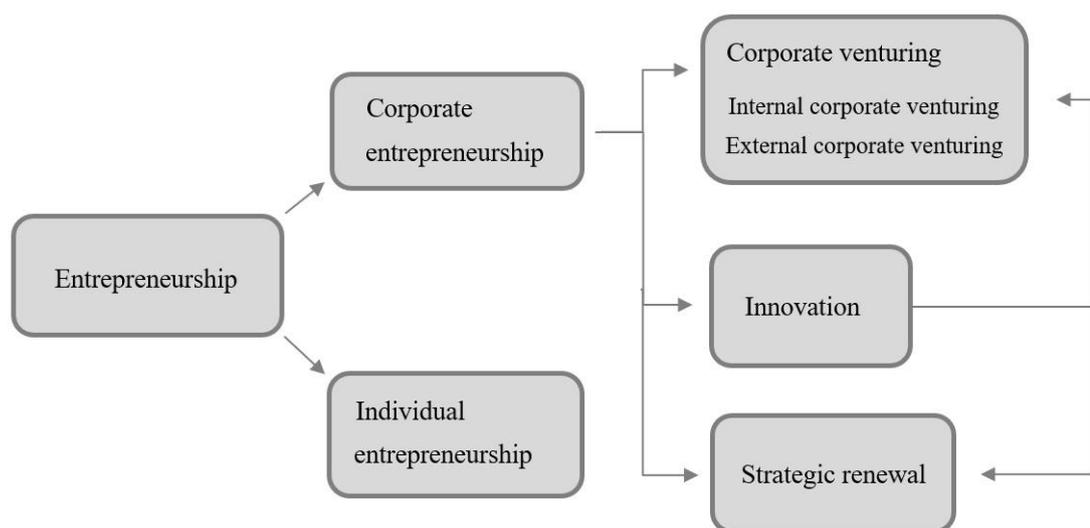


Figure 1 Corporate entrepreneurship and its dimensions; Authors own interpretation adapted from Morris, Kuratko & Covin, (2008)

Corporate venturing in its simplicity, refers to the CE activity of establishing new businesses or entering new businesses, if it is done in an existing organization. Corporate venturing can be a consequence of, or a cause for innovations that result in the entrance to new markets, and/or creation of new products. Corporate venturing activities again can be divided into internal or external corporate venturing based on the location in which the organisational creation resides in. Internal corporate venturing instigates organisational creation that is classified as a new business even

though it resides within the existing organisational domain. Likewise, external corporate venturing instigates organisational creation that is classified as a new business, but on the contrary resides outside the existing organisational domain. (Sharma & Chrisman, 1999.)

The essential difference between corporate venturing and *strategic renewal* is that whereas both trigger either strategic or structural transformation in an existing organisation, strategic renewal both occurs and effects in the realms of the existing organisation. To rephrase, strategic renewal refers to the CE activity that creates notable changes within an existing organisational entity, without creating new business that are distinct from the existing one. (Sharma & Chrisman, 1999.)

In the scholarly literature, every time something new is introduced to the market it is referred to as *Innovation* (Sharma & Chrisman, 1999). Innovation is of great importance to value creation and the preservation of a competitive edge. Moreover, it plays a crucial role in ensuring company growth or even survival. (Zahra & Covin, 1994.) The nature of the term innovation depends on the specific context in which it is used, meaning that all innovations land on a spectrum that ranges from incremental innovations to radical innovations (Kahn, 2018). Whether radical or incremental, innovative organisations are able to not only answer the challenges imposed by quickly evolving customer demands, but also utilize the possibilities arising from transforming markets, structures, dynamics, and technologies (Baregheh, Rowley & Sambrook, 2009). Entrepreneurs, according to Drucker (1998), either enhance existing resources or create new resources, both of which create new wealth. This very process is the essence of innovation, the process in which opportunities become feasible ideas. As presented in figure 1, innovation is not by default present in the process of organisational creation or renewal. According to Sharma and Chrisman (1999) the manifestation of innovation may play a substantial role in corporate venturing or renewal, but it is not a necessary one. This is explained by the nature of innovation, at times being highly incremental or radically transformational, hence making the endeavour of determining a required level of innovation needed for entrepreneurship counterproductive at the very least.

Whereas the domain of CE research recognizes corporate venturing, and strategic renewal as the two dimensions of corporate entrepreneurship, sometimes accompanied by innovation, examination of the literature accentuates some polarization between scholars on whether these dimensions are to be treated as individual components or as a meta-construct. However, the latter one being the more acknowledged view in which innovation, corporate venturing, and strategic renewal, even though separate phenomenon, are mutually supportive and complementary by nature. (Sakhdari, 2016.)

Thereby one can conclude the following with respect to the definition and dimensions of corporate entrepreneurship: Corporate entrepreneurship comprises the entire process of innovation, risk-taking and proactiveness whereby one or more individuals, in association with an established enterprise, create a new organisation or new combinations within that organisation. (Scheepers, Hough & Bloom, 2008; Sharma & Chrisman, 1999; Zahra, 1996.)

2.4 Antecedents of corporate entrepreneurship

Now that the concept of corporate entrepreneurship and its dimensions have been defined, this chapter is able to move on to consider the factors that promote corporate entrepreneurship in an organization. This is an important part of establishing the theoretical basis for the empirical study. It is important to understand which factors contribute to corporate entrepreneurship so that these factors can be mirrored in later chapters in terms of employee engagement and used in the empirical research phase to categorize the data.

The conceptualization in the previous chapter, by Sharma and Chrisman acted as the foundation to the empirical studies of Hornsby et al., in which they concentrated on the factors within the organizational domain, that trigger corporate entrepreneurial actions amongst middle managers. (Cates, 2007.) Concomitantly, scholars shifted their focus more towards empirical research related to antecedents of CE and highlighted interorganizational factors as the most prominent. From these empirical studies, scholars coincide on five interorganizational factors: management support, work discretion and autonomy, rewards and reinforcement, time availability, and organizational boundaries. (Hornsby, Kuratko & Zahra, 2002.)

There is strong evidence that CE can lead to improved business outcomes (Zahra & Covin, 1995). Firms with a culture of entrepreneurship (CE) are often seen as agile and adaptable, ready to seize new opportunities as they arise (Kuratko, Hornsby & Hayton, 2015). Managers can intentionally shape the company's structure to foster a highly entrepreneurial environment (Hornsby et al., 2013; Ireland, et al., 2009). An organization that can harness its own scarce resources will also be able to respond to external, ever-changing challenges, such as a challenging market or rapid technological change (Bradley, Aldrich, Shepherd, & Wiklund, 2011).

Evaluating a firm's current organizational culture or "preparedness" for entrepreneurship is essential for implementing a CE strategy effectively (Hornsby et al., 2013). Hornsby et al. (2002) studied the antecedents of CE and developed the well distinguished instrument called Corporate Entrepreneurship Assessment Instrument (CEAI). The instrument considers each of the five antecedents mentioned above, consists of 48 Likert style questions in total and is designed to measure the interorganizational components of corporate entrepreneurship. The CE Assessment Instrument (CEAI) includes five factors that are necessary for a supportive internal environment for CE to thrive. (Hornsby et al., 2013.) These factors, known as the antecedents of CE, are management support, work discretion/autonomy, rewards/reinforcement, time availability, and organizational boundaries (Hornsby et al., 2002).

Management support refers to the extent to which management encourages, facilitates, and promotes entrepreneurial behaviors. Work discretion/autonomy refers to the freedom of making decisions independently without anyone looking over one's shoulder. In other words, decision making power regarding one's work tasks is given to them. Rewards/reinforcement refers to the use of appraisal and reward systems that reward employees based on entrepreneurial activity, performance, and innovation. Time availability refers to the expectation that employees will optimize their usage of working hours to that they invest their time in their most important tasks. Lastly, organizational boundaries refer to the structure of the organization. Structure in this context refers to the way in which knowledge is shared both externally and internally within the organizational departments and divisions. (Hornsby et al. 2013.)

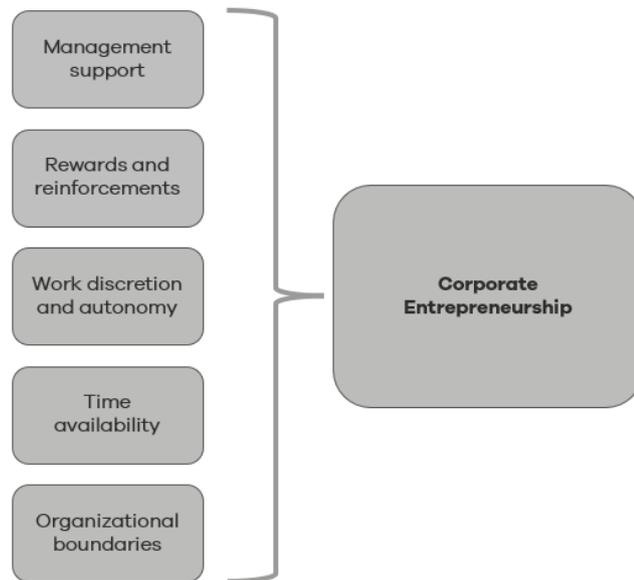


Figure 2 Antecedents of corporate entrepreneurship; Authors own interpretation adapted from Hornsby, Kuratko & Zahra, (2002)

According to Kuratko, Hornsby et al., management support, as an element of corporate entrepreneurship, manifests itself in many ways in an organization. This includes a willingness to adopt improved work methods, particularly those developed by workers. Management should also encourage employees to develop their own ideas and be receptive to their suggestions. This can be demonstrated through promotions or other rewards for innovative ideas. Decisions should be allowed to be made by “doers” on projects without requiring extensive justifications or approval procedures. Management should also support innovators by allowing them to bypass rules and procedures for potential ideas to flourish. There should be financial support available for new project ideas, as well as additional rewards and compensation for individuals with successful innovative projects. Risk taking and experimentation should be encouraged and recognized, even if some projects inevitably fail. Employees should be given free time to develop good ideas and encouraged to communicate with other departments about potential projects. (Hornsby et al., 2008; Hornsby et al., 2002; Kuratko et al., 2014.)

Work discretion refers to the level of freedom and autonomy that an individual has in their job. It involves being able to make decisions and use one's own judgment, without having to constantly seek approval or supervision. It also includes the ability to be creative and try new methods of doing the job, as well as the chance to use one's abilities and skills in a meaningful way. In an organization with high levels of work discretion, employees feel like they are their own boss and have the freedom to decide how their job gets done, with little interference or micromanagement. Mistakes are not harshly criticized or punished, and there is flexibility in the methods and steps used to complete major tasks. (Hornsby et al., 2008; Hornsby et al., 2002; Kuratko et al., 2014.)

Rewards and reinforcements in an organization consist of a variety of factors. First, managers assist employees in getting their work done by removing any obstacles or roadblocks that may be in their way. Additionally, rewards are given based on an employee's level of innovation on the job. Good performance is also recognized and rewarded through an increase in job responsibilities and special recognition from supervisors. Outstanding work is also acknowledged, with managers notifying their superiors of exceptional performance. Lastly, there is a sense of challenge present in the jobs within the organization. (Hornsby et al., 2008; Hornsby et al., 2002; Kuratko et al., 2014.)

Time availability in an organization refers to the amount of time that employees have in order to complete their work, as well as the ability to allocate time towards important tasks and projects. It is important for employees to feel that they have a reasonable workload and sufficient time to complete their duties. When employees feel that they are constantly working with time constraints or that their workload is preventing them from developing new ideas, it can indicate a lack of time availability. On the other hand, if employees feel that they have plenty of time to get everything done and are able to find time for long-term problem solving with their co-workers, it can suggest a higher level of time availability in the organization. Overall, time availability involves a balance of workload and time management that allows employees to complete their tasks effectively and efficiently. (Hornsby et al., 2008; Hornsby et al., 2002; Kuratko et al., 2014.)

Organizational boundaries refer to the extent to which flexibility in the organizational structure is useful in promoting entrepreneurial activity. This is because flexible boundaries can facilitate the flow of information between the organization and its external environment, as well as between different departments within the organization. While innovation is often associated with chaos, more predictable outcomes are achieved when innovation is treated as a structured and purposeful process. In contrast, a lack of organizational boundaries can lead to uncertainty and confusion regarding an employee's responsibilities and the level of performance expected. This can be reflected by a lack of adherence to standard operating procedures, a lack of written rules and procedures, unclear job expectations, and unclear performance standards. When organizational boundaries are present and well-defined, employees have a clear understanding of their roles and responsibilities, leading to a more productive and efficient work environment. (Hornsby et al., 2008; Hornsby et al., 2002; Kuratko et al., 2014.)

In conclusion, the elements of corporate entrepreneurship as discussed by Kuratko, Hornsby et al., such as management support, work discretion, rewards and reinforcement, time availability and organizational boundaries, all play a critical role in promoting corporate entrepreneurship. (Hornsby et al., 2008; Hornsby et al., 2002; Kuratko et al., 2014.) These elements shape the work environment and provide employees with the necessary resources and support. This in turn lays the foundation for the next crucial aspect of this thesis, employee engagement, which will be discussed in depth in the following section.

3 EMPLOYEE ENGAGEMENT

In this chapter, the focus shifts to the examination of employee engagement, one of the central concepts of this thesis. To gain a deeper understanding of the relationship between corporate entrepreneurship and employee engagement, it is crucial to thoroughly analyse the concept of engagement. To accomplish this objective, the chapter commences with a comprehensive analysis of the different definitions of employee engagement in the literature. Due to the lack of a unified definition of employee engagement, various definitions exist, leading to potential confusion. To ensure clarity in this thesis, a consistent terminology is established. Among the various definitions, the study adopts Schaufeli's definition of employee engagement as it is relevant to the empirical research. Therefore, after establishing the definition, the chapter delves into Schaufeli's understanding of engagement, followed by an exploration of the relationship between corporate entrepreneurship and employee engagement.

3.1 Defining employee engagement

A review of the practitioner literature and academic literature reveals that employee engagement lacks an unambiguous and universal definition. The basis for the literature has been provided mainly by practical journals and organisational practice, leaving less emphasis on theoretical and empirical research. (Macey & Schneider, 2008; Saks, 2006.)

Due to the lack of a profound theoretical foundation, employee engagement can also be misinterpreted as having congruent meanings with other concepts, namely organizational commitment, involvement, satisfaction, and organizational citizenship behavior (Kassa & Raju, 2015; Robinson et al., 2004). However, engagement is a much more multidimensional and deeper term than for example satisfaction. An employee can be satisfied with their job and have fundamental loyalty to the employer, but still lack engagement. Some researchers depict the relationship between the two terms as satisfaction being a part of engagement. Once an employee becomes fully satisfied with their work and is also contributing at a maximum level to the organization, they become engaged. (Markos & Sridevi, 2010.) For example, Frank et

al. (2004) define employee engagement as the high number of volitional efforts employees are willing to make in their jobs. Whereas a satisfied employee could contribute next to nothing back to the employer and the organization, an engaged employee has passion towards their work and is willing to go the extra mile for the organization to succeed. (Bedarkar & Pandita, 2014; Markos & Sridevi, 2010; Sahoo & Sahu, 2009.) Maslach, Schaufelli, and Leiter (2001) analyse engagement using burnout as its opposite. Where an employee going through a burnout finds his or her job unpleasant, unfulfilling, and meaningless, an engaged employee finds his or her job important, meaningful, and challenging. According to Russell's (1980) circumflex model, engagement is a consequence of high activation combined with high subjective well-being. An engaged employee is excited, enthusiastic, energized, happy and pleased. In short, Baumruk, Richman and Shaw state that committing to the organization both intellectually and emotionally is the definition of employee engagement. (Mani, 2011.) As one can conclude from the definitions above, there are differences between the definitions given to employee engagement and some aspects of the different definitions are subject to disagreement.

A closer review of the academic literature reveals few prominent and dominant definitions. One of the most prominent definitions of the term is given by the scholar William Kahn (1990, p. 694), who states that engagement is "the harnessing of organization members' selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances." Kahn stated that for a person to express physical, emotional, and cognitive engagement, they need to have a sense of safety, meaningfulness, and availability. Availability in this context referring to having the emotional, physical, and psychological capabilities to do the job. Meaningfulness referring to the feeling when a role performance generates positive returns on the amount of effort put into that performance. Lastly safety according to Kahn is the feeling one has when they can express themselves freely, without thinking it will affect their status, self-image, or career negatively. (Kahn, 1990.)

In a similar manner, Schaufeli et al., (2002, p. 74) introduced the most cited definition for the term as "a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption". It is worth mentioning that the two definitions

above by Kahn and Schaufeli are linked by the way they characterize engagement by three components. Schaufeli (2002) himself has pointed this out, noting that in Kahn's definition vigor can be seen as the employment and expression of oneself physically, dedication can be linked to emotional self-expression and absorption has similarities to cognitive expressions. Moreover, both Kahn and Schaufeli treat employee engagement as a psychological construct (Kahn, 1990; Schaufeli, et al., 2002).

Despite similarities in their characterizations of engagement, there is a profound difference in the way Kahn and Schaufeli perceive engagement. Kahn (1990) stated that engagement is an instantaneous and definite state that an employee expresses and utilizes during a performance. Schaufeli (2002) on the other hand characterizes engagement as a continuous and comprehensive state, detached from any singular performance. This thesis follows the definition of engagement by Schaufeli, where engagement consists of vigour, dedication, and absorption and is seen as a persistent state.

3.2 The burnout-antithesis approach

According to Schaufeli (2014), engagement literature entails two schools of thought that are related to each other but are treated as independent concepts. They both understand employee engagement as "a positive, work-related state of well-being or fulfillment", as well as the positive antithesis of burnout. In other words, a person who is engaged does not see their work as being stressful and demanding, but on the contrary finds it challenging. Furthermore, engagement as the antithesis of burnout appears as an energetic and effective connection to work. (Schaufeli et al., 2002.)

The first school of thought on the matter is the single continuum thinking of engagement and burnout where engagement is the positive endpoint and burnout is the negative endpoint (Schaufeli, 2014). This conceptualization by Maslach and Leiter identifies three dimensions for both engagement and burnout, of which the engagement dimensions are energy, involvement and efficacy, and the burnout dimensions are exhaustion, cynicism, and lack of accomplishment. What is essential in Maslach's view is that burnout and engagement are two ends of the same coin, which means that you cannot be in burnout and engaged at the same time. (Maslach & Leiter, 1997.)

Unlike Maslach's perspective, Schaufeli's concept of work engagement does not include a connection between engagement and burnout. In other words, engagement and burnout are not endpoints of the same continuum. Schaufeli does identify engagement as negatively related to burnout, but the two concepts are understood as separate. This conceptualization of engagement by Schaufeli was already introduced in the chapter where different definitions of engagement were discussed. There, engagement was defined as follows: "a positive, fulfilling, work related state of mind that is characterized by vigor, dedication, and absorption" (Schaufeli, 2014; Schaufeli, 2002). As can be concluded, this definition does not link engagement to burnout in any sense but sees engagement as a concept in its own right.

According to Schaufeli, employee engagement is composed of three main elements: vigor, dedication, and absorption. *Vigor* refers to the enthusiasm and energy that an individual brings to their job, as well as their resilience in the face of challenges. Schaufeli defined vigorousness as the ability to perform in a persistent manner not only on a daily basis but also when facing difficult situations. A vigorous person shows mental flexibility as well as elevated energy levels during work. *Dedication* encompasses a sense of commitment to the work and organization, as well as feelings of identification with the job. Dedication indicates a strong connection that a person has with their job, promoting feelings of pride, significance, inspiration, enthusiasm, and challenge. *Absorption* refers to the degree of focus and immersion an individual experiences while working and may include a sense of flow and the tendency to lose track of time. A person that is absorbed into their work experiences feelings of time "flying by", whilst it is hard to disengage from work. These three dimensions together make up the affective-motivational aspect of employee engagement, which encompasses positive emotions and motivation experienced at work. (Schaufeli, 2014; Schaufeli, 2002.)

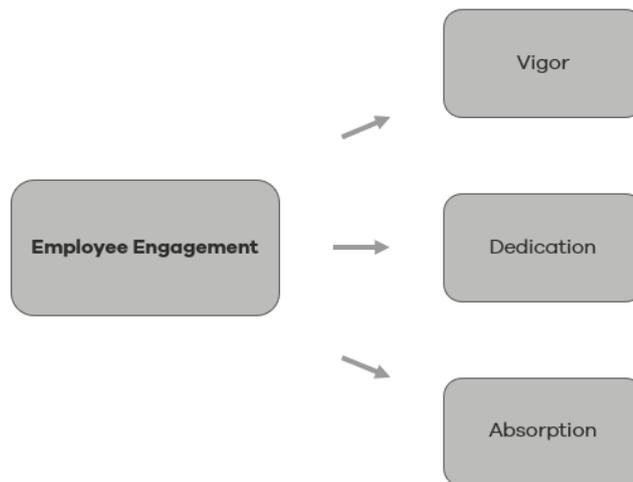


Figure 3 How does employee engagement manifest itself? Authors own interpretation

It is considered important to briefly explain how engagement manifests itself, to understand the link between engagement and its benefits in organizations. However, in this thesis, the manifestation of employee engagement will not be investigated further, maintaining the focus on the drivers of engagement.

3.3 Drivers of engagement

The connection between employee engagement and corporate entrepreneurship must first be established by exploring the drivers of engagement. Despite a limited number of studies on the drivers of engagement, Kahn has provided a substantial foundation for the research of engagement, widely cited in published papers on the topic. This chapter will begin by reviewing previous studies and literature on drivers of engagement from where the focus is shifted to Kahn's works on the drivers of engagement. Lastly, empirical studies that draw from Kahn's research will be discussed, and the relationship between engagement and corporate entrepreneurship will be demonstrated.

Multiple studies and academic papers highlight engaging factors such as providing employees with meaningful, stimulating work experiences, and an organization that recognizes and rewards contributions. (Bakker, Demerouti & Verbeke, 2004;

Hackman & Oldham, 1980; Rana, 2015; Schaufeli & Bakker, 2004; Sundaray, 2011.) Various papers also highlight that creating a supportive work environment, demonstrating a commitment to employee well-being, involving effective communication and leadership, and fostering a sense of reciprocity and exchange between employer and employee is essential for promoting employee engagement. (Bates, 2004; Bhatla, 2011; Frank et al., 2004; Kahn, 1992; Papalexandris & Galanaki, 2009; Rhoades & Eisenberger, 2002; Rhoades et al., 2001; Richman et al., 2008; Wiley et al., 2010.) Various factors related to work and career advancement, such as autonomy, career advancement opportunities, having a sense of meaning and purpose at work, and access to personal development plans and opportunities, are identified as important drivers of employee engagement. (Bailey et al., 2017; Levinson, 2007; Lockwood, 2007; Mani, 2011; Penna, 2007; Robinson, 2004; Seijit, 2006; Vance, 2006; Woodruffe, 2006.)

As mentioned in the chapter "Defining Engagement", Kahn (1990) suggested that engagement arises when meaningfulness, safety, and availability are present. Meaningfulness indicates that when a person feels that their work input is valuable to themselves, they are willing to engage in their work. When employees are aware that their working environment is safe, meaning that the support they need to perform their role is always available, they do not need to be afraid or hesitate in their role, thus they feel safety. The third driver of engagement, availability, stands for a situation where the employee has access to the necessary resources and an environment that is conducive to getting the job done. (Kahn, 1990.)

These three drivers of engagement have been empirically investigated and measured by May et al. (2004), which further affirms the link between engagement and meaningfulness, safety, and availability. Furthermore, Sievert and Scholz (2017) state that employee engagement can be influenced through the presence of trusting managers that are seen as role models and facilitate flat hierarchies within the organization. In addition, Verčič and Vokić (2017) highlight internal communication as an important driver of engagement. According to Tiwari and Lenka (2019), increased engagement among employees can be attributed to the functional, economic, and psychological benefits that they experience.

Maslach et al. (2001) and Saks (2006) both conducted empirical studies with the goal of identifying drivers of engagement. Maslach et al. (2001) identified six drivers of engagement, namely workload, community and social support, values, perceived fairness, rewards and recognition, and control. Saks (2006) also identified the following six drivers: job characteristics, perceived organizational support, perceived superior support, rewards and recognition, procedural justice, and distributive justice. Both Maslach and Saks therefore concur with Kahn that there are organizational related, job related and management related characteristics that have an impact on and are drivers of engagement. In other words, the above-mentioned scholars agree that certain elements must be present for employees to show commitment to the organization. This mutual interdependence is a key element when discussing the theoretical framework of CE and employee engagement in this thesis.

Saks (2006) studied employee engagement and the drivers of engagement using a theory called social exchange theory (SET) to define the interdependent nature of engagement. The Social exchange theory is among the most important conceptual frameworks that have sought to explain and understand workplace behavior (Cropanzano & Mitchell, 2005). Over time, a wide variety of views have emerged around social exchange, but theorists are united by an understanding of social exchange as a set of interactions that generate obligations. These interactions are usually seen as interdependent and dependent on the actions of the other person. (Memon, Ghani & Khalid, 2020.) Blau (1964) has defined the concept of social exchange in the simplest terms as actions that lead to a rewarding reaction from others. These actions are done in an exchanging manner which leads to a two-sided, mutually rewarding process of exchange.

Now that the basic principles of social exchange theory have been explained, it can be used to formulate the theoretical framework used in this thesis. The two parties that are in a mutually rewarding process of exchange, in this context, are the organization (management) and the employee. As concluded earlier in this chapter, the value that the employee has to offer to the employer is engagement to their role. At this point, the question that arises is whether the employee will show vigorousness, dedication, and absorption towards their work without the presence of a mutually rewarding process of exchange? The consensus amongst scholars is evident on this matter. Huang

et al. (2016) demonstrated that employee's levels of engagement were linked to employee's safety climate perceptions according to the social exchange theory. Furthermore, Robinson et al. (2004) emphasized the two-sided relationship between employee and employer as the essence of engagement. Cropanzano and Mitchell (2005) on the other hand showed that when employees receive economic and socio emotional resources, they respond by engaging in their work and in that way retribute back to the organization. Memon et al. (2020) showed that corporate social responsibility has direct effects on employee engagement and vice versa, employees need internal support and care out of corporate social responsibility. Lastly, Sejjit and Crim (2006) point out that both measuring the level of engagement in the organization and reacting to the findings by eliminating practices that suppress engagement and developing action plans to maximize engagement are important tasks for the employer.

With the understanding of employee engagement and corporate entrepreneurship established, as well as the connection between these concepts through social exchange theory, the theoretical framework can be introduced. This thesis investigates the notion that corporate entrepreneurship antecedents act as the second key exchange object in addition to employee engagement. The organization and employee engage in a mutually beneficial exchange process, in which the employer provides an entrepreneurial environment, and the employee responds with increased engagement towards the organization. The following chapter delves deeper into this framework by examining employee engagement through the lens of the five components of corporate entrepreneurship.

3.4 Summary of the theoretical framework

The theoretical framework of this thesis is built around the two concepts discussed in previous chapters, corporate entrepreneurship, and employee engagement. Corporate entrepreneurship consists of five interorganizational components, namely management support, work discretion and autonomy, rewards and reinforcement, time availability, and organizational boundaries. The existing literature and studies suggest that for an organization to create an environment where corporate entrepreneurship thrives, these five factors need to be present. (Hornsby, et al., 2002.) The conceptual model presented below, suggests that the five antecedents giving birth to corporate entrepreneurship could also act as drivers for engagement.

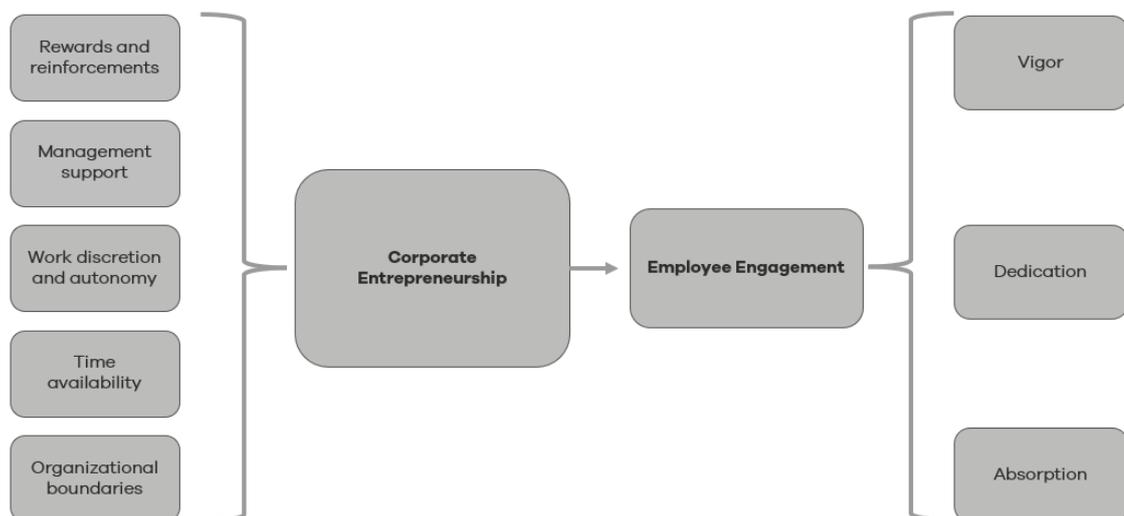


Figure 4 Conceptual model of corporate entrepreneurship and employee engagement; Authors own interpretation adapted from Kassa, A.G. and Raju, R.S. (2015)

Mirroring these components of corporate entrepreneurship to the literature and empirical studies conducted in the field of employee engagement, clear resemblances are to be found. Firstly, Maslach et al. (2001) have stated that employee engagement stems from an environment of management and supervisor support, work discretion and autonomy, rewards, and recognition, organizational boundaries and resource and time availability. In the same way, Kahn (1990) describes engagement as arising from an environment in which support, autonomy, variety, and a sense of return on investment are present. In addition, Vance (2006) points out that employee engagement is influenced by both rewards and recognition and autonomy. Saks (2006)

notes that management support, rewards, and recognition, as well as work autonomy play a part in reaching higher levels of engagement. Thus, based on the above findings and observations, there are resemblances in the established drivers of engagement and the antecedents of corporate entrepreneurship.

The theoretical framework suggests that when an organization provides its employees with an environment where the five dimensions of corporate entrepreneurship are present, employees are engaged in their work. In other words, the framework suggests that support of management and supervisors, job discretion and autonomy, rewards and recognition, organizational boundaries, and access to resources and time create employees who are energetic, dedicated and embracing of their work. This conceptual model is illustrated in figure 4.

4 RESEARCH DESIGN AND METHODOLOGY

In this chapter, the reader is introduced to the research design that explores the relationship between corporate entrepreneurship and employee engagement. Afterwards, the methodology used to conduct the study is presented.

For the qualitative study, a sample of individuals working in the Finnish office of a multinational corporation, with a focus on either sales or consulting, were recruited. Semi-structured interviews were conducted with these individuals, using an interview guide that covered two warm-up questions and 9 main questions related to the research. The interviews were recorded, transcribed, and analysed using thematic analysis, with the aim of identifying common themes and patterns in the data.

4.1 Qualitative case study

This study is a qualitative case study, meaning that an event or a person, acting in a particular environment, is investigated in order to acquire data. The aim of doing this is to understand the phenomenon in greater depth. (Eriksson & Kovalinen, 2008.) A qualitative study was chosen as the method namely for three major reasons. Firstly, unlike quantitative research, qualitative research is a method developed to explain social and cultural phenomena. The focus is not on explanation, hypothesis testing, statistical analysis, and numeral expression, but rather understanding and interpreting results using words. (Eriksson & Kovalinen, 2011.) Secondly, qualitative research tends to follow in the footsteps of quantitative research, thus offering a more holistic view of the topic (Creswell, Hanson, Clark Plano & Morales, 2007; Eriksson & Kovalinen, 2011). Thirdly, both corporate entrepreneurship and engagement research have emphasis on quantitative methods, and there is a need for more qualitative studies (Creswell, et al., 2007; Popowska, 2020).

According to Sofaer (1999), qualitative methods play a vital role in research for several reasons. Firstly, their unstructured and open-ended nature of questioning allows for an exploratory approach to inquiry, meaning that identifying important questions, gaining rich insights into complex phenomena, forming diverse perspectives, and comprehending depth and complexity in the topic in question can be achieved.

Secondly, qualitative methods are valuable in constructing and refining theories or conceptual frameworks, which this thesis aims to achieve. Thirdly, qualitative methods have the potential to be as rigorous and disciplined as quantitative research, since the researchers using the method must remain vigilant to biases such as own preconceptions or the influence of the research context. Lastly, qualitative methods offer observations that one is not capable of acquiring through quantitative methods alone. Qualitative methods and data can act as a complementing source combined with quantitative data, giving the research a more complete picture. As pointed out by Popowska (2020) and Creswell et al. (2007), both engagement and corporate entrepreneurship research have an emphasis on quantitative research, making it an important endeavor to produce qualitative research in order to gain a more nuanced understanding of the phenomena in question.

In the realm of qualitative research, a case study was chosen as the research method. Yin (2014) stresses the relevance of case studies when the researcher wants answers about real-world phenomena. In particular, answering the questions why and how aims to gain a deeper understanding of the phenomenon under study. According to Gerring (2004) a case study is important since it allows the researcher to conduct in depth and detailed research on a particular case. In this thesis, the phenomenon under investigation is a complex, social phenomena that is explored in order to test and refine the conceptual framework, which is a setting where a case study is an effective method (Gerring, 2004).

4.2 Data collection

The data used in this study was collected from an information technology (IT) and software developer company, originating from Sweden, and operating in Europe. The company develops, sells, and implements customer relationship management (CRM) systems. These systems are offered as Software as a Service (SaaS) subscriptions and the company also provides consultancy in the implementation and customization of its software products. The survey population was limited to the salespeople and consultants working in the Finnish office of the organization in question.

The research study involved conducting interviews at the Finnish office of the company located in Helsinki. Seven individuals, who were employed in sales or consulting positions in the Helsinki office, were interviewed. Three of the interviews were conducted virtually via Teams, while the remaining four were conducted in-person. To ensure the quality of the recordings, each interview was recorded using both a computer and a phone. The recordings were then transcribed using Microsoft Word after all the interviews were completed.

The design of the interview questions and structure was based on the theoretical foundation of the study and the research questions being addressed. The interview framework was divided into three sections. The first section started with warm-up questions aimed at setting the tone for the interview and making the interviewee feel comfortable. These questions focused on the interviewee's background and work experience. The second section consisted of substantive questions related to the definition of employee engagement, the interviewee's perception of their work environment, and factors relevant to employee engagement in the work environment. The third section, serving as the conclusion, involved asking the interviewee if they had any additional thoughts or insights to add to the topics discussed.

4.3 Data analysis

The data collected from the semi-structured interviews was analyzed through a directed approach to content analysis. The analysis was conducted in a data-driven manner, guided by existing theory and previous research. The first step of the analysis involved identifying the relevant and interesting information from the collected data. The data was then transcribed, coded, reduced, abstracted, and translated. Directed content analysis was chosen as the method of analysis, as it allowed the validation of existing theory and previous research based on the results obtained (Hsieh & Shannon 2005). The existing theory and previous research served as a guide for focusing on the research question and coding the transcribed text.

Moreover, the directed content analysis was chosen as it allows for a more structured process than a conventional approach, where initial coding categories are determined using the theory. In the directed content analysis, coding begins by highlighting all text that represents a particular phenomenon, or immediately coding using the predetermined codes. Lastly, the strength of a directed approach to content analysis is that it allows the researcher to gain support and extend existing theories, which is the main goal of this thesis. (Hsieh & Shannon 2005.)

The data analysis process started by transcribing the interviews using Microsoft Word. After each interview recording was transcribed, the interviews are moved to NVivo, where the coding categories were formed, and the interview texts were sorted into their respective categories. After all of the 7 interviews were coded into each category, the coded text was then reduced, meaning that all of the filler words were removed, and the rest of the text was reorganized from speech form to written form.

As instructed by Hsieh and Shannon (2005), the codes were decided before diving deeper into the transcribed texts. The coding categories were named using the theoretical base as support, thus formulating five codes namely rewards & reinforcements, management support, work discretion & autonomy, time availability and organizational boundaries. From there, the texts were examined, highlighting all text that represented any of the predefined codes. After highlighting the relevant parts of the text, they were again examined, and this time coded into their respected coding category. All of the answers that contained information related to engagement, were coded into the created categories, with no answers left uncategorized.

Once the text was reorganized and cleaned from filler words, the text was translated from Finnish to English.

| | |
|-------------------------------|------------------------------|
| Original transcription | Reduced transcription |
|-------------------------------|------------------------------|

| | |
|---|---|
| <p>One thing that could like lower my engagement would be if you didn't in a way like get recognition for a job well done. That could be something that would make me look for that like sense of reward elsewhere in a way.</p> | <p>One thing that could lower my engagement would be if I didn't get recognition for a job well done. That could make me look for that sense of reward elsewhere.</p> |
| <p>In my opinion it's the openness between like the manager and the employee and the relationship and like the trust and ability to communicate which comes to mind when I think about what is like important in engagement for me.</p> | <p>For me, it's the openness of the manager-employee relationship and the trust and ability to communicate which are important in engagement.</p> |

Table 2 Example of the reduction process

| Reduced transcription | Coding category | Main category |
|---|----------------------------------|-----------------------------------|
| <p>One thing that could lower my engagement would be if I didn't get recognition for a job well done. That could make me look for that sense of reward elsewhere.</p> | <p>Rewards & Recognition</p> | <p>Corporate entrepreneurship</p> |

| | | |
|---|---------------------------|-----------------------------------|
| <p>For me, it's the openness of the manager-employee relationship and the trust and ability to communicate which are important in engagement.</p> | <p>Management support</p> | <p>Corporate entrepreneurship</p> |
|---|---------------------------|-----------------------------------|

Table 3 Example of the coding process

5 FINDINGS

This chapter is dedicated to presenting the results of the empirical study. This chapter is structured into five sub-chapters, each focusing on one of the antecedents of corporate entrepreneurship as identified through the literature review. By organizing the results in this manner, the chapter provides a comprehensive and detailed understanding of the aspects that influence employee engagement, as revealed through the case study.

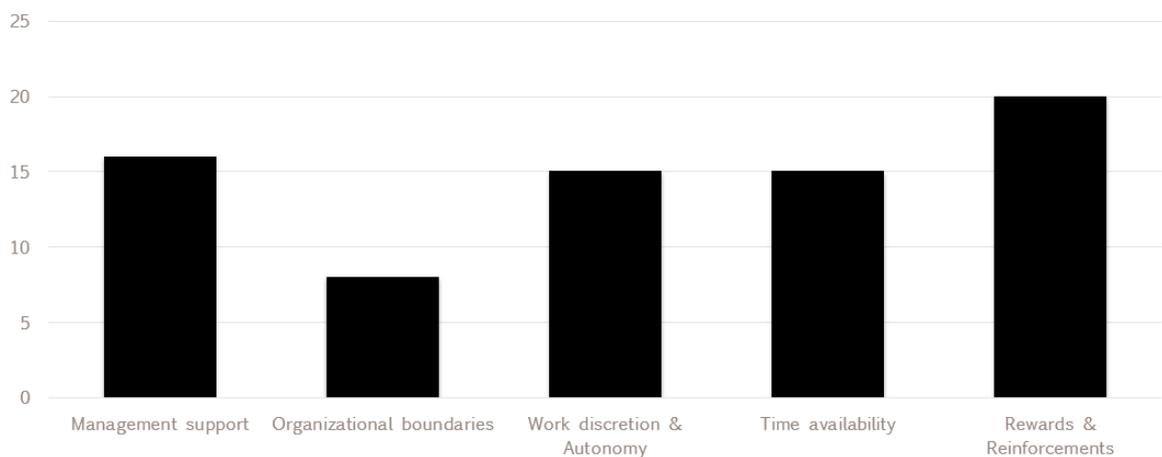


Figure 5 Transcriptions coded into the five antecedents of corporate entrepreneurship.

In Figure 5, the distribution of coded responses across the five antecedents of corporate entrepreneurship is presented. The results show that the highest number of responses were attributed to the category of rewards and reinforcements, followed closely by management support. In contrast, the categories of work discretion and time availability exhibited an equal distribution of responses. Notably, organizational boundaries received a significantly lower number of responses in comparison to the other four antecedents.

The five sub-chapters each delve into one of the antecedents of corporate entrepreneurship, providing a thorough examination of how these factors impact employee engagement. The sub-chapters are designed with the research question in mind and provide a comprehensive understanding of the factors that contribute to employee engagement within the context of the case study. Quotes from the interview

data are used to support the findings, providing a rich and nuanced understanding of the results.

The chapter provides practical insights for organizations seeking to foster a more engaged workforce, as well as theoretical insights for researchers and scholars working in this field.

5.1 Rewards & Reinforcements

The interviews revealed several different types of rewards and reinforcements that were perceived as contributing to engagement. Of these, salary, and salary-related factors demand incentive pay model, pay progression as job descriptions change, and the match between pay and the level of demandingness of the job, emerged as by far the most prominent.

“If there were no economic development, even if there were successes and achievements, it would be frustrating and would affect engagement. If you felt, especially in a sales position, that the commission was not hitting the mark in terms of workload, it would certainly affect engagement.”

“One could say that simple external motivational factors can be the salary that influences commitment.”

“...of course, a good and clear open salary model and a competitive salary is engaging...”

“Bigger salary of course would increase engagement.”

“Reducing engagement is perhaps the pay at the moment is such that it doesn't match the demands of the job perhaps fully compared to the industry averages.”

“Personally, I like the fact that there's quite a good opportunity for development in this organization in the future, you can do a lot more things and then your salary goes up every few steps. It's a commitment to stay in the job.”

“If the salary would be screwed up it would certainly make me more invested and engaged.”

Another engaging factor in terms of rewards and reinforcements, highlighted by interviewees, was the recognition they received from clients in their own work. Interviewees said that it is a rewarding and engaging feeling when a successful project is finished together with the client.

“It is rewarding and engaging when you reach the finish line with a client on a project.”

Moreover, the interviews also showed that what makes a successful project engaging is when the client shows genuine gratitude towards the project manager and the project manager feels that he or she has added value to the client through the project.

“Genuine gratitude from customers is something that engages and rewards you and makes you feel good. The kind that concretely makes you feel that this went well, and this really shows benefits, and this develops the customers' activities, so then it is much nicer to bill customers.”

In addition to financial compensation and positive feedback from customers, other rewarding and reinforcing factors that contributed to the level of engagement were the challenge of the job and internal recognition for good performance.

The interviews revealed that the challenge of the job plays an important role in engagement. For many interviewees, the challenge meant that the nature of the work was regularly changing. On the other hand, work that was too static was seen as a deterrent to engagement. Also, the complexity of work tasks was a factor that increased the level of challenge and influenced engagement.

“If the work wasn't interesting or challenging, that is, if it was a steady grind, it wouldn't engage me at all.”

“For me, it's more engaging when my expertise grows, i.e., when I'm better able

to deal with more complex cases independently. In a way when you get the feeling that you are on top of things.”

“At country level, commitment would certainly be affected if there were changes for the worse in the process of your own work. For example, if new clients came in but my portfolio did not evolve to bring me new clients and challenges in my job.”

“Interesting and challenging clients and projects make me engaged...”

“The engagement is that so far the work itself is challenging and rewarding.”

Internal recognition was raised as an important factor increasing engagement amongst the interviewees.

“Engagement is that you get to do the work you are good at and you get successes and people remember to highlight them.”

“One thing that could lower my engagement would be if I did not get recognition for a job well done. That could make me look for that sense of reward elsewhere.”

Interviewees also felt rewarded and reinforced through clear progression opportunities and a developed career path.

"Here you have a really clear description of the progression opportunities and what the career path is. The career path is also constantly being developed and will be updated and refined."

"...in other words, the opportunities for advancement are clear and it's not like you're pushing and possibly getting stuck in that position, but you basically have all the cards in your hand."

"Money does not bring happiness up to x point but then if you have responsibility or opportunities then there are again more of those paths, and it makes you more engaged and happier."

The idea that "money does not bring happiness up to a point" implies that the interviewee places value on non-monetary rewards, such as the opportunity to take on new challenges and responsibilities.

The interviewees expressed concerns about a potential lack of future work and how it may negatively impact the level of engagement and the nature of the tasks they are working on, which suggests that rewards and reinforcements in terms of job security, challenging work, and career progression are important for them.

"At the moment this is not a problem, because there is as much work as you can do, but if you think about the future, if for some reason there would be no more projects and then the ones that would come would be really boring, small tasks with small hours,"

The results of the employee interviews revealed several key factors that contribute to engagement in the workplace, related to the rewards and reinforcements antecedent. Salary and salary-related factors, such as incentive pay models, pay progression, and the match between pay and the level of job demandingness, were seen as the most prominent engagement factors. The theoretical knowledge on rewards and reinforcements affecting engagement supports these findings.

Feedback and recognition from clients, internal recognition, and clear progression opportunities with a developed career path were noted as important rewards and reinforcements. Moreover, the challenge of the job, including work that was regularly changing and had a level of complexity, was seen as an important factor in engagement. The interviews also showed that job security, challenging work, and career progression are important for maintaining engagement, as the idea that "money does not bring happiness up to a point" implies that non-monetary rewards, such as the opportunity to take on new challenges and responsibilities, are also valued. On the

other hand, a lack of future work or work that is seen as too static or unchallenging was seen as a deterrent to engagement.

These results highlight the importance of a well-designed reward and reinforcement system that balances financial compensation with non-monetary rewards such as recognition and career growth opportunities for employees to maintain engagement in the workplace.

5.2 Management support

Based on the interviews, engagement is strongly influenced by the nature of the relationship between management and employees. Open communication and its benefits, such as knowledge sharing, support, freedom, and responsibility, were considered important.

“Engagement is that the company has to support what the individual is doing in many different ways. Not just in terms of salary or that the product being sold is good, but also in many other ways, for example by balancing work, leisure and family life, and being able to take charge of your own projects.”

“When we talk about commitment there is at least an emphasis on openness in the relationship between employer and employees, and on confidentiality and the ability to communicate.”

“Of course, my manager will ask if something hasn't progressed, but also on the other hand I've had really good help and support, so I haven't felt lonely or like I'm on my own. Even though I have my own tasks, I am still really well supported. If you just know how to ask for help, you will get it right away.”

The interviewees also value the investment made by the company in their training and development, and the opportunities for learning and growth that have been provided to them.

"The company has invested quite a lot just into training us at the beginning especially and made us learn a lot of things and really broadly learn things like that. Those are some of the things that are really engaging."

However, interviewees also suggested that a greater focus on employee learning and development would increase their engagement.

"It would be more engaging if there was a greater desire from the organization to focus on employees' level of learning and going deeper into specific areas of expertise."

This would require support from management to provide resources and opportunities for learning, as well as guidance and mentorship to help employees develop their skills and expertise.

When asked about factors negatively affecting engagement, interviewees highlighted a comprehensive lack of support from management. The lack of management support was seen either as a lack of communication, difficulty in getting help when needed, or a lack of guidance. In some situations, management was seen as being too distant from day-to-day operational activities and the interviewees felt that management is not aware of how their methods and processes work.

"I have had the feeling that perhaps there is a lack of leadership. We currently have a Norwegian consultant-manager who sometimes visits us in Finland but doesn't really take any position on the work methods that we have, and then the things we focus on are only related to making money. Especially if you are in a trainee position it is not that motivating when you don't have guidance and especially when I started myself there could have been more guidance. So, at the moment when there is not really any work management, it affects engagement."

"Engagement is reduced, for example, by the difficulty of finding information and the lack of support from a supervisor when dealing with different types of customers."

“At the moment, one thing that reduces my engagement is our leadership. And more specifically the level of communication of our leadership, which is not enough.”

The empirical study results reveal the significant impact of management support on employee engagement. The interviews show that employees value open communication and the supportive relationship they have with management. This includes access to knowledge sharing, support, freedom, and responsibility. The investment made by the company in the employees' training and development, as well as opportunities for learning and growth, are also seen as important factors promoting employee engagement.

On the other hand, a lack of support from management was identified as a major factor negatively affecting employee engagement. The lack of support was perceived as a lack of communication, difficulty in obtaining help when needed, and a lack of guidance. In some cases, management was seen as being too distant from daily operational activities and the employees felt that management was not aware of their methods and processes. This type of management style was found to be particularly demotivating for employees in trainee positions who require guidance and support. A lack of leadership was also highlighted as a factor that reduced employee engagement. The level of communication between leadership and employees was seen as inadequate and this further reduced employee engagement.

5.3 Work discretion & autonomy

When asked about engagement, each of the interviewees identified the discretion to make decisions in their own work, as well as the autonomy of work, as one of the factors of engagement. Many interviewees described autonomy in more detail through negation. They said that a factor that reduces engagement is predefined repetitive tasks, which reduces the autonomy to plan one's own work and tasks.

“Well, engagement to the job is perhaps reduced by the fact that project managers are given quite a lot of extra work in relation to the other tasks that

they get to do like a lot of just support and customer service and things like that, which in principle should not really belong to us.”

“...if there are some kind of jobs that are not necessarily so interesting, for example, some of the training of customers is not terribly close to my heart. Yes, I do them, but it leaves a bit of a forced feeling when it can be that the customer is not terribly interested in being there, because they do not feel it is important to themselves.”

“...and then, of course, there are some tasks that no one has liked and then they get lost there on my desk to do as a new guy, so of course you do them, but they are not the salt of life.”

Conversely, the relationship between autonomy and engagement was also confirmed by the interviewees' views on aspects that increase engagement. More specifically, autonomy was defined as the possibility of having one's own work projects under one's own responsibility, as well as the possibility of having a concrete influence on one's own job description.

“Yes, what's really nice here is that you can directly get your own responsibilities, that you don't have to be hanging around in other projects, but directly get your own projects and then take responsibility for them to get them done so that no one does them for you and don't make sure or look after you.”

“In a way, that you can organize your own work as you see fit.”

“...if the boss looks too much at his own navel and thinks only through it, it also has a negative impact on how employees feel they can influence things and how engaged they are versus giving them responsibility and letting them influence their own job description.”

Another factor that was seen as engaging was the freedom to decide how to do one's job without having to have decisions approved by anyone. The interviewees indicated that they have the freedom and autonomy to do their work as they see fit, for example

proposing solutions to customers in different subject areas, which suggests a level of discretion and flexibility in their work. An organizational culture that even encourages employees to do things their own way, rather than the same way as others, was also seen as part of the commitment.

"Although in principle, the work may be the same, for example building the solution for the customer and so on, but when you configure different subject areas and discuss with the customer that how about this how you would like this and then it may even feel that this could be done this way and then end up proposing it to the customer,"

"...for example, being encouraged to do things with a "just do it" attitude so that you don't have to ask others first and double check. Also, that it's important to be yourself in everything you do so that you don't go off and do what others necessarily do."

"Yes, we should be quite happy that there is work and you can do work with a free hand, that no one is telling you that this is how it should be done, but you can decide for yourself how you want and on what schedule."

The freedom to do one's work independently also meant access to all necessary information required to execute your daily tasks. The interviewees stated that they value access to information and resources within the organization, and the ability to find and use these resources to perform their work effectively.

"And then we have all these technical things related information inside our organization that are quite hidden information that you can't really find if you don't know who to ask and where to find it."

This is an indication that the interviewee perceives a lack of autonomy and discretion in their work, as they are unable to access information, they need to do their job effectively. This type of lack of access to information and resources can hinder the employee's ability to engage in their work and limit their sense of ownership and control over their work.

Autonomy is also seen as freedom in terms of working hours. This is seen as having a positive impact on engagement.

“Engagement is flexibility both ways, that there is responsibility but also autonomy. Sometimes in life things come and go and you have to be able to stretch into many places at once and then it’s extremely important to be able to be flexible, even if were talking about being able to take few hours off work or days and then being flexible towards the employer and make up for those hours and days.”

Work discretion was also seen as the possibility to choose their level of responsibility and opportunities for personal development within the company.

“There are many different options in terms of whether you want the responsibility or whether you want to be more of a line worker, or whether you want to move up to more responsible positions and develop yourself all the time. That’s one side of it that I always find engaging. There’s also a clear road map in terms of how we see that people should develop here.”

Finally, responses related to work discretion included those highlighting the variety of work tasks, as well as the freedom to take on more complex tasks and develop one’s professional skills.

“With expertise, being able to handle better and more complex cases independently, so that’s at least an engaging factor. And a feeling of being on top of things.”

“The variety of jobs is nice and engaging.”

“At least so far, the tasks that have been given have been very varied. It’s not like every day when you come to work you know that now my working day is going to be like this and that. It’s not from 8 to 4 this same job every day, but rather for example, in a larger project, every day is different.”

It is important to note that some answers given by the interviewees could fall under more than one antecedent. For example, the challenge of the job is one of the factors that falls under the category of "Rewards and Reinforcements". When employees are given tasks that are challenging and require a high level of skill and expertise, this can be a form of reward and reinforcement that increases their engagement. However, it's worth noting that the desire for challenging work can also be a part of "Work Discretion and Autonomy", as it relates to the individual's desire for control over the types of projects they work on and the opportunity to exercise their skills and expertise.

"Bigger projects and projects with higher complexity of technology and cutting-edge technology would make me more engaged."

In the case of the answer above, it could be argued that it fits into both categories, as the individual is indicating that the level of challenge of the job is a factor that influences their engagement. However, the answer leans towards "Work Discretion and Autonomy" as it highlights the individual's desire for greater control over the types of projects they work on, rather than just the level of challenge as a form of reward and reinforcement.

The empirical study on engagement revealed that work discretion and autonomy are important factors in engagement for employees. The interviewees identified having the freedom to make decisions in their work and the autonomy to plan their own work as factors that increase engagement. Conversely, predefined repetitive tasks that reduce the autonomy to plan one's own work were seen as factors that reduce engagement. The freedom to decide how to do one's job without having to have decisions approved was also seen as engaging. The freedom to do one's work independently included access to all necessary information required to execute daily tasks, and the ability to find and use these resources effectively. The freedom of working hours was also seen as having a positive impact on engagement. Finally, work discretion was seen as the possibility to choose one's level of responsibility and opportunities for personal development within the company.

5.4 Time availability

The next aspect of corporate entrepreneurship that emerged in each of the interviews was time availability. The interviewees perceived time availability as an important factor for engagement from three main perspectives. The most common time availability related factor was that the interviewee felt that they had enough time to carry out the tasks that were most meaningful to them or most relevant to their role. On the other hand, a negative impact on engagement was felt if too much time was spent on tasks other than those important and meaningful to the interviewee.

“Really monotonous and meticulous tasks that take a lot of time decrease my engagement. And also, especially now as a trainee it causes some anxiety if there is not enough time to do the most important things.”

“For more social consultants, the customer relationship and contact is very strong and then it makes their schedules very busy because customers contact them all the time and that is very time consuming. That affects engagement negatively if there is not enough time to focus on projects.”

“Engagement would be affected negatively on the other hand if my portfolio would grow too big and there would be not enough time to take care of all the customers well.”

“What engages me is the fact that now little by little after the information flood during the autumn trainee period, I have started to internalize the description of my job and can manage my time much better.”

“If time and resources are too tight that you have to stretch too much in everyone’s direction it affects my engagement. People want to do things well and I myself like to do things well and then when I don’t have time to do those things well, it starts to get annoying. You have to run around to do things and it does not make me engaged in the long run.”

Time availability was also seen as the possibility to focus on work with clear job tasks and descriptions.

"Well-defined and precise job tasks."

In addition to the importance interviewees attached to the availability of time, interviewees stressed that the content of working hours also matters. In other words, simply having a balanced work schedule and an appropriate workload is not everything if one cannot use their working hours for tasks that are meaningful to them. Even if the workload is balanced in relation to working hours, engagement is negatively affected by "boring", manual, or easy work tasks.

"In the future if for some reason there would not be any interesting cases and the ones that we would get would be tiny and boring, small tasks with small consulting hours."

"If i could spend more time on certain clients that would be bigger, and their solutions would be more complex and technical and the projects would be more complex so that I could really work on the customers solution. "

"On the other hand, if I had the right amount of time and I would be able to focus on a specific big project 100% and do it properly at once it would increase engagement."

These findings highlight the importance of both having adequate time to execute tasks at work and the level of meaningfulness of those tasks.

On the other hand, one of the factors that acted as an engaging factor in the current organization was the knowledge that changing jobs would mean a new training period in a new organization, thus taking time away from meaningful work tasks.

"For me one of the biggest engaging aspects are that how much mental resources I have invested into this job, and the threshold to change jobs increases because you would have to learn the entire ecosystem and all the

technical stuff again because they cannot be refined in other companies. Nowadays I don't have to spend all time learning and more time is spent on the work itself."

The study also found that every interviewee stressed the importance of work-life balance as a factor in engagement. They wanted to be able to distinguish between work and free time and saw mixing them as a negative thing. Long working days were also perceived as a negative impact on engagement.

"Engagement is many things like work and free time balance."

"If work and free time would mix really heavily it would be a significant thing on engagement."

"For me engagement does not mean that the person works long days all the time and is a company man through and through, work life balance is also important."

The results of the empirical study on time availability show that this factor plays a crucial role in engagement among employees. The study found that interviewees felt that they needed enough time to carry out tasks that were meaningful to them or relevant to their role. On the other hand, if they spent too much time on tasks other than those important to them, it had a negative impact on their engagement.

The study also found that work-life balance was crucial for engagement, with the interviewees wanting to distinguish between work and free time and seeing mixing them as negative. Long working days were also perceived as a negative impact on engagement. Lastly, having well-defined and precise job tasks was seen as an important factor in time availability, as it allows employees to allocate their time effectively.

In conclusion, the results of the empirical study on time availability and the theoretical knowledge on the topic both show that this factor plays a crucial role in engagement among employees. Companies need to ensure that their employees have enough time

to carry out meaningful tasks and have a good work-life balance to increase engagement and productivity in the workplace.

5.5 Organizational boundaries

The factors of corporate entrepreneurship related to organizational boundaries emerged in the interviews significantly less than the other components. For interviewees, the knowledge that the organization they worked for was stable and they did not have to fear losing their job, was important.

“For me, engagement is influenced by the fact that in the last 10 years, for example, I have never had to think about whether we need to hold a collective bargaining. In a way, our growth orientation makes it possible for us not to have to hold negotiations, when you read the news that now company X is starting negotiations for 300 people, you realize that you have never had to go into that boat. You have not had to experience the instability or uncertainty in your own work.”

Moreover, the overall direction and future of the organization had an impact towards the level of engagement.

"If the company had no future and no direction, that would be one of the major negative factors affecting engagement."

This suggests that the interviewees are more engaged when they feel that the company has a clear direction and vision for the future, and that they are working towards meaningful goals. On the other hand, if the organization does not have a clear direction or future, this can decrease their engagement as it can be demotivating to work towards goals that are uncertain or unclear.

Interviewees also said that having certain boundaries and frameworks created the desired clarity and control over work. On the contrary, a lack of boundaries, such as trainings and courses was perceived as having a negative impact on engagement.

“Well-defined and precise job tasks.”

“For me, the negative impact on engagement is that there are no project management courses or training, whereas there are certificates and so on that many organizations require project managers to have.”

Although organizational boundaries were perceived as important, this was only true if they were flexible in nature. The interviewees felt that organizational boundaries should be flexible, and the information should be shared more openly internally.

“One of the factors that affect engagement is that internal processes should be accelerated. So, for example, documentation and information sharing are things that should be streamlined locally between teams but especially across countries.”

“However, in my current workplace there are about 400 people and yet everywhere you go in different countries and meet our employees, there is a good atmosphere, and everyone is willing to help, so that's what makes me feel engaged.”

Lastly, interviewees mentioned aspects of organizational boundaries in the form of advancement opportunities and what is expected of them in their current position.

“Here you have a really clear description of what you need to do at them moment and what is expected of you and the progression opportunities and what the career path is. The career path is also constantly being developed and will be updated and refined.”

“There are many different options in terms of whether you want the responsibility or whether you want to be more of a line worker, or whether you want to move up to more responsible positions and develop yourself all the time. That's one side of it that I always find engaging. There's also a clear road map in terms of how we see that people should develop here.”

The results of the empirical study on the factor of organizational boundaries and its relationship with employee engagement revealed a clear picture. On the one hand, interviewees emphasized the importance of stability and clarity in the workplace, and having well-defined and precise job tasks, as well as clear expectations for advancement opportunities. However, they also felt that organizational boundaries should be flexible, and that there should be more open information sharing and streamlined internal processes. The study participants considered that a lack of boundaries, such as training and development opportunities, had a negative impact on their engagement.

5.6 Revised theoretical framework

Based on the findings of the qualitative case study, the theoretical framework has been revised to provide a more comprehensive understanding of the factors that influence employee engagement within organizations. The original framework, based on the five antecedents of corporate entrepreneurship is expanded with the main findings of the study incorporated into the revised framework. Through an in-depth analysis of the interview data, new dimensions of rewards and reinforcements, management support, work discretion and autonomy, time availability, and organizational boundaries, have been identified, that are critical to understanding the complexities of employee engagement. The revised framework offers a more nuanced understanding of the factors that drive employee engagement and will serve as a useful guide for practitioners seeking to enhance engagement within their organizations.

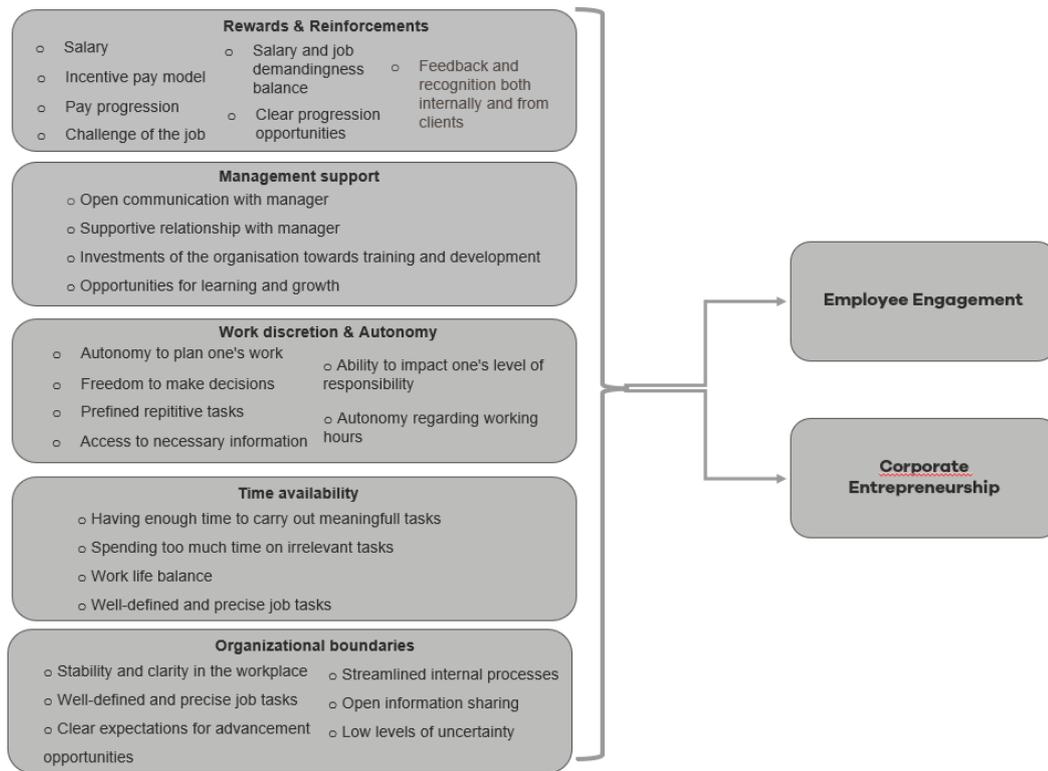


Figure 6 Theoretical framework revised based on the finding of the study

The above framework has been adapted based on the results discussed in this chapter. The framework implies that, in addition to creating an environment of innovation, risk-taking and proactivity, the antecedents of corporate entrepreneurship can play a role in creating engagement amongst employees. The key findings arising from the transcribed interviews are placed in their respected place in the framework, thus forming the final, enhanced framework. In line with the social exchange theory, the framework suggests that when an organization offers its employees the elements placed in each antecedent, the employees in exchange will show engagement to their organization and work. Thus, the framework places employee engagement and corporate entrepreneurship on the same level, reflecting the importance of the antecedents in creating both corporate entrepreneurship and employee engagement.

The allocation of all responses provided by interviewees to the five antecedents suggests that the framework provides a comprehensive and useful way of categorizing the factors that influence employee engagement. In addition, it should be noted that

the antecedents are not mutually exclusive, and some factors may fall into more than one category. Additionally, there may be other factors that influence employee engagement that are not captured by the antecedents. Nonetheless, the fact that all responses can be allocated to the antecedents highlights their usefulness as a framework for understanding employee engagement and underscores the importance of addressing these factors in efforts to promote a more engaged workforce.

To summarize, the results of the empirical study highlight the need for organizations to create flexible organizational boundaries, open information sharing, precisely defined tasks, cross departmental courses, education, low levels of uncertainty and career advancement opportunities in order to facilitate engagement.

6 DISCUSSIONS

With the findings of the study presented, including the analysis of the data collected and the results obtained, attention in this chapter is turned towards the discussion of these findings in the light of the existing body of literature. The findings are discussed in the same order as in the previous chapter and in the revised theoretical framework.

Regarding rewards and reinforcements, the findings highlighted compensations as one of the drivers for engagement. The concept of compensation, being a driving factor in employee engagement and commitment, has been widely studied in academic literature. Vance (2006) posits that a well-crafted compensation model that incorporates both financial and non-financial elements can have a profound impact on engagement. Similarly, Kahn (1992) states that incentives are a key component in fostering a sense of meaning and it is proposed that both formal and informal reward systems should be designed to support employee engagement. As seen in the answers of interviewees, this importance of compensation and the way compensations are structured is seen as an important aspect of engagement.

The challenge of work, highlighted in the findings, is acknowledged by most engagement scholars as a driver of engagement. The Towers Perrin Talent Report (2003), which listed the 10 workplace related attributes that will result in employee engagement, mentioned challenging work as one of the top 3 attributes. Kahn (1990, 1992), and Hackman and Oldham (1980) also mention challenging work as a key driver of engagement. In CE literature, prominent scholars such as Kuratko, Hornsby and Zahra (2002), have identified the amount of challenge as one of the factors nurturing corporate entrepreneurship. In the same manner, Hornsby et al. (2002) identify recognition of managers for an especially good performance as part of rewards and reinforcements. Internal recognition was raised as an important factor increasing engagement amongst the interviewees. Performance feedback is also mentioned in several studies investigating the drivers of engagement (Bakker, Demerouti, & Verbeke, 2004; Schaufeli & Bakker, 2004).

The human resources field has highlighted the importance of rewards and recognition. Sundaray (2011) noted that performance-based rewards can encourage employees to

perform at a high level and stay engaged. Both intrinsic and extrinsic rewards (Truss et al, 2014) can boost employee recognition and motivation, leading to increased engagement (Maslach et al, 2001). A fair reward system is necessary in an organization to ensure that employees receive appropriate compensation, recognition, and rewards based on their performance (Rana, 2015). Saks (2006) emphasized that employees who are valued should receive adequate recognition, rewards, and compensation.

Kahn (1990) identified that individuals exhibit levels of engagement based on their perceptions of the benefits they receive from their role. This perception can come from either external rewards and recognitions, as well as meaningful work. Hence, it can be inferred that employees are more likely to engage in their work when they perceive a greater number of rewards and recognition for their job performance. Maslach et al. (2001) assert that appropriate recognition and rewards play a critical role in promoting engagement, while their absence can lead to burnout. According to their perspective, employees who receive recognition and rewards from their organization will likely respond with elevated levels of engagement in their roles.

Regarding management support, Kahn (1992) states that the perception of organizational and supervisor support involves a sense of freedom to express oneself and act without fear of negative consequences. A crucial component of a safe and supportive work environment stems from the level of care and support employees feel is provided by their organization and their immediate supervisor. According to Kahn (1990), individuals are more likely to feel secure in a work environment that is characterized by openness and supportive measures. Such a setting encourages experimentation and fosters a low-risk environment for employees to pursue new initiatives and innovate, without fear of repercussions. The openness and supportive measures that the interviewees mentioned are also evident in the writings of many scholars investigating employee engagement. According to Maslach et al. (2001), social support is one of the conditions required for fostering engagement. A study by Schaufeli and Bakker (2004) highlighted support as a predictor of engagement. May et al. (2004) showed that there is a positive correlation between supportive relationships with supervisors and engagement. Rhoades and Eisenberger (2002) highlight the relationship between employee's belief that their organization is invested in their well-being and increased job engagement and a sense of reciprocity. This type

of investment and support from management is an important factor in promoting employee engagement. Rhoades et al. (2001) suggest that when employees feel that their organization cares about them and values their well-being, they are likely to respond by becoming more engaged in their work. In other words, employees feel obligated to help the organization achieve its goals.

The lack of management support, presented in the findings, has been noted as a disengaging factor by authors investigating engagement. The relationship between management support and burnout has been extensively explored in academic literature, with a dearth of support being consistently linked to burnout. (Maslach et al., 2001.) Moreover, the role of management in fostering engagement and preventing disengagement has been emphasized by various authors. (Bates, 2004; Frank et al., 2004.)

The importance of communication in fostering engagement has been emphasized by various authors. Papalexandris and Galanaki (2009) pointed to internal communication as being of utmost importance for employee engagement, and Bhatla (2011) similarly recognized the role of organizational communication as a key driver of employee engagement. Wiley et al. (2010) and Kahn (1992) both emphasized the significance of communication in promoting employee engagement.

These findings on management support align with the theoretical knowledge that management support is critical in promoting employee engagement and corporate entrepreneurship. According to Kuratko et al. (2014), management support pertains to the perception that managers facilitate, promote, and support entrepreneurial behavior, such as championing ideas and providing the resources necessary to pursue entrepreneurial initiatives. Richman et al. (2008) posit that higher levels of organizational and management support, as established through the principle of exchange, are related to increased employee engagement. This notion is also supported by research in the engagement literature, as demonstrated by Maslach et al. (2001), May et al. (2004), and Saks (2006), who all emphasize the impact of management and supervisor support on employee engagement.

The findings around work discretion and autonomy are supported by the engagement literature with authors such as Kahn (1990, 1992) highlighting personal discretion, freedom to use the skills one possesses, and the opportunity to make contributions as engaging. The writings of Macey and Schneider (2008) support the finding that the nature of the task is not the only determining factor for engagement, but the extent to which an individual is able to express their preferred self in their work. Certain attributes of the task such as autonomy, challenge, and variety tend to have significant impacts on engagement for the majority of individuals.

Overall, the results on work discretion and autonomy are supported by the theoretical knowledge that autonomy, discretion, and flexibility in work contribute to employee engagement. A culture that encourages employees to be autonomous and to do things their own way, and that provides access to information and resources needed to perform work effectively, would contribute to employee engagement. (Saks, 2006.) The works of Maslach et al. (2001) highlight the lack of autonomy as being consistently linked to burnout, which implies that the presence of autonomy is linked to engagement. Bailey et al., conducted narrative evidence synthesis involving 214 studies related to engagement and out of those, 65 related to associations between aspects of job design and engagement. Their findings support the notion that positive associations are to be found between the level of engagement and opportunities for personal development, the ability to choose one's level of responsibility, work intensity, feelings of doing the job well, job control, and autonomy. (Bailey et al., 2017.) Kuratko et al. (2014) define work discretion as the perception of tolerance for failure, latitude for decision-making, and reduced oversight within an organization, as well as the delegation of authority and responsibility to lower-level managers and employees. Real autonomy, or the ability to fully immerse oneself in one's work, is emphasized as a crucial factor in employee engagement (Vance, 2006; Woodruffe, 2006).

The findings on time availability related factors are supported by both the engagement and corporate entrepreneurship literature. According to Kuratko et al. (1990), the heaviness of the workload and the amount of time available to handle tasks and get everything done are factors that influence CE. Consequently, Maslach et al. (2001) stated that "being overextended and depleted of one's emotional and physical

resources” and having “feelings of incompetence and lack of achievement and productivity at work” lead to burnout, which is the antithesis of engagement.

Time availability was also seen as the possibility to focus on work with clear job tasks and descriptions, which is also one of the drivers of engagement according to Seijit (2006). The importance of both having adequate time to execute tasks at work and the level of meaningfulness of those tasks were present in the findings. According to the Penna research report (2007), meaning at work is the highest form of engagement. This view is also supported by Lockwood (2007), who states that organizations that cultivate a sense of purpose in their work are more likely to have engaged employees.

Work-Life balance, stressed by interviewees, has gained recognition as a significant factor enhancing employee engagement. Achieving a suitable balance between work and personal life is deemed essential for an individual to perform effectively and engage in the workplace. (Bedarkar & Pandita, 2014.)

In the CE literature, time availability is perceived as the assurance that work schedules provide sufficient time for individuals and teams to pursue their work tasks. (Kuratko et al. 2014.) These results introduced in this subchapter also align with the literature on drivers of engagement, stating that workload is a crucial determinant of an employee’s level of energy, involvement, and commitment in their job. (Maslach et al. 2001.)

The findings on organizational boundaries related factors facilitating engagement align with the theoretical knowledge on the topic. Numerous studies have supported the notion that career advancement opportunities play a significant role in fostering employee engagement. Mani (2011) and Seijit (2006) note that career advancement opportunities can contribute to engagement. Moreover, Levinson (2007) and Robinson (2004) found that employees with access to personal development plans and opportunities have higher levels of engagement.

Moreover, the study results align with the theoretical understanding of the importance of creating a balance between stability and flexibility in organizational structures. Hornsby et al. (2005) state that if the rules, procedures, and standards forming the

organizational boundaries are too strict, it hinders the entrepreneurial environment. For instance, if the employees are imposed to rigid standard operating procedures in task execution, it restricts the scope for entrepreneurial behavior. According to Kuratko et al. (2014) the fostering of an organizational climate conducive to entrepreneurship requires flexible boundaries that facilitate and encourage entrepreneurial behavior, while simultaneously promoting the exchange of information within and outside of the organization. This balance ensures that employees feel secure in their jobs and have clarity about their roles and responsibilities, while also allowing them to adapt to change and innovate. Richman et al. (2008) similarly note that effectively implemented flexible work practices can lead to improved employee engagement. Saks (2006) underscores the importance of exploring flexible work arrangements as a potential factor in engagement.

7 CONCLUSIONS

The following section presents conclusions of the findings from the research. Through addressing the pre-determined research question, the study offers a comprehensive overview of the effects of corporate entrepreneurship on employee engagement. Building upon this understanding, the author provides insight into the theoretical and managerial implications of the research. The chapter concludes by highlighting the limitations of the current study and proposing potential areas for future research.

7.1 Theoretical conclusions

The aim and purpose of the study was to create an understanding of the relationship between corporate entrepreneurship and employee engagement. More closely, what aspects of corporate entrepreneurship are relevant from an engagement perspective in a Finnish office of a multinational IT company. The aim of the study was to increase the understanding of the topic by discussing existing literature and conducting empirical qualitative research. In this study, the research problem was addressed by seeking a solution to the research question:

“What is the relationship between antecedents of corporate entrepreneurship and employee engagement in a Finnish office of a multinational IT company.”

This study made valuable contributions to the existing body of research on corporate entrepreneurship and employee engagement. Firstly, it confirmed previous findings, such as those by Saks (2006) and Kahn (1990, 1992), that the social exchange theory can describe the connection between an organization and its employees. In other words, employees will engage in behaviors that benefit the organization if they perceive that they get something in return for their efforts. More closely the revised framework can be a useful framework for examining employee engagement. It demonstrates that the relationship between an organization and its employees can be understood as a reciprocal exchange that benefits both parties with the employee receiving an environment, rich in corporate entrepreneurial antecedents and the organization in turn, enjoying the benefits of engaged employees. Secondly, the study proposed that corporate entrepreneurial variables can be seen as drivers of employee

engagement and that a culture, fostering entrepreneurship could lead to higher engagement levels. When employees receive recognition and rewards, management support, time availability, job autonomy and flexible organizational boundaries, they tend to display high levels of engagement to their work and organization. These results imply that the antecedents of corporate entrepreneurship identified by Hornsby et al. (2002) are all relevant for fostering employee engagement.

The findings indicate that the five antecedents of corporate entrepreneurship, namely rewards and reinforcements, time availability, work discretion, organizational boundaries, and management support, play a significant role in promoting employee engagement. The majority of interviewees reported that rewards and reinforcements, management support, time availability, and work discretion were crucial for feeling engaged in their work. Conversely, fewer participants identified organizational boundaries as essential for engagement. This study supports the literature review, which suggests that various factors can influence employee engagement. It appears that for an employee to be engaged, they must have the flexibility to affect their working methods and have the freedom to work on their own schedule. Additionally, they must have access to support and resources, while also being challenged and autonomous in their work. Furthermore, feeling reinforced and rewarded for good performance is crucial for engagement. Conversely, the absence of these factors can negatively impact engagement.

To conclude, the study found out that antecedents of corporate entrepreneurship act as drivers of engagement within the Finnish office of a multinational IT company. Within each antecedent, multiple nuances were discovered that were incorporated into the theoretical framework introduced in the literature review. The antecedents offered a comprehensive understanding of the different aspects that drive or impede employee engagement within the case organization. The fact that all responses could be categorized into the antecedents suggests that these antecedents provide a comprehensive and useful way of categorizing the factors that influence employee engagement and are of great importance in driving engagement within the case organization.

7.2 Managerial conclusions

The results of the study indicate that a supportive corporate entrepreneurial environment has a positive influence on employee engagement. This conclusion was drawn based on the observation that employees felt engaged to their organization and work as a result of being rewarded and reinforced, having sufficient time to perform tasks, being given decision-making autonomy about how to conduct their work tasks, receiving support from their direct manager, and having flexible organizational boundaries. These findings provide implications for organizations, suggesting that enhancing employee engagement can be achieved by fostering a corporate entrepreneurial environment. Engaged employees on the other hand have been shown to bring a multitude of advantages to organizations, including improved productivity, increased job satisfaction, reduced turnover, and higher customer satisfaction. By fostering an environment that supports employee engagement, organizations may experience positive impacts on their overall performance and success. These findings highlight the importance for organizations to prioritize and invest in the creation of a corporate entrepreneurial environment, which then supports and facilitates employee engagement.

This being said, it is important to note that the relationship between corporate entrepreneurship and employee engagement may be influenced by the unique context of the organization and industry. As such, managers should take these limitations and nuances into consideration when implementing strategies to promote employee engagement within their organizations. Further research may be required to fully understand the generalizability of these findings and to explore other potential determinants of employee engagement.

7.3 Limitations and proposals for future research

The findings produced by the research hold valuable insights, however, it is crucial to interpret them in light of the limitations and constraints inherent in the study. The current study has several limitations that should be considered when interpreting its results and drawing conclusions. Firstly, the sample size is not substantial enough to accurately represent the wider population, and the results may not generalize to other

organizations or industries. Secondly, the sample may have a bias towards individuals who have a positive perception of the corporate entrepreneurial environment and employee engagement, potentially affecting the validity of the results. Thirdly, the results of the study are context-specific to the Finnish office of a multinational IT company, limiting their applicability to other organizations or industries. The results can, however, bring valuable insight to organizations in the same industry as the case study organization. Finally, the data for the study was obtained from a single source (employee interviews), which could compromise its validity and reliability.

Given the limitations of the study, there are numerous opportunities for future research to further investigate the relationship between corporate entrepreneurial environment and employee engagement. A comparative study between different industries, such as the IT industry and others, could be conducted to determine if the relationship is industry specific. A longitudinal study could examine the stability of the relationship over time and how it changes as organizations mature and grow. A cross-cultural study could examine if the relationship is culturally specific or applies to other cultures as well. An experimental study could test the causal relationship between the two concepts. This could be done by manipulating the corporate entrepreneurial environment and measuring the effect on employee engagement. Finally, a quantitative study, using large-scale surveys or data from multiple organizations, could provide additional statistical evidence for the relationship.

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APPENDIX

Interview guide used to conduct the semi-structured interviews

Warm up questions:

- What is your professional background? (education, experience)
- Describe your current job?

Employee engagement

- What does employee engagement mean to you?
- Describe, what makes you engaged to the organisation you work in?
- What makes you engaged to your current job?
- What could possibly decrease or is decreasing your engagement to the organization you work in?
- What could possibly decrease or is decreasing your engagement to your current job?
- What would make you more engaged to the organization you work in?
- What would make you more engaged to your current job?
- How is your engagement to your job and your organisation reflected in your daily work?
 - Think of a specific moment/event that made you feel engaged to your work/organization?
- -Imagine the perfect workplace where you would be as engaged as possible, what would such a workplace look like?
- Is there anything else you would like to add to these themes?