DETERMINANTS OF EFFECTIVE CORPORATE ENTREPRENEURSHIP IN THE BANKING INDUSTRY IN KENYA: A CASE OF EQUITY BANK LIMITED

Lameck Onyinkwa Mokua

Masters Student, Jomo Kenyatta University of Agriculture and Technology, Kenya

Dr. Patrick Karanja Ngugi

Lecturer, Jomo Kenyatta University of Agriculture and Technology, Kenya

CITATION: Mokua, L. O. & Ngugi, P. K. (2013). Determinants of effective corporate entrepreneurship in the banking industry in Kenya: A case of Equity Bank Limited. *International Journal of Social Sciences and Entrepreneurship, 1* (5), 936-952.

ABSTRACT

Today's business environment is characterized by continuous change as a result of fast changing technologies, ever increasing changes in customer demand and the growing levels of intense global competition. Many businesses, in their quest for sustained competitive advantage, have reacted to these new set of challenges by downsizing, unbundling, focusing on core business, reengineering, decentralization, outsourcing, restructuring and relying on self-directed work teams. To maintain competitiveness and sustainability within this ever changing global environment financial institution, such as banks, must recognize the important role of corporate entrepreneurship (innovation) within their business. This study sought to investigate determinants of effective corporate entrepreneurship in the banking industry. The study aimed to ascertain whether entrepreneurship culture, strategy adopted, use of reward and organization structure influence effective corporate intrapreneurship within Equity Bank Limited. The target population of this study was staffs at Equity Bank Limited. The study relied mostly on primary data sources. The study employed a simple random sampling technique in coming up with a sample size of 60 respondents. The study generated both qualitative and quantitative data where quantitative data were coded and entered into Statistical Packages for Social Scientists and analyzed using descriptive statistics. The study concluded entrepreneurship culture, corporate strategy, uses rewards and organizational structure determine effective entrepreneurship. However, the study suggested that managers should encourage employees in innovation and creativity practices and initiatives so as to ease ways of solving problem and pool talents. The study recommended that corporate strategy that organization has in place should tally with the organization objectives. Likewise, management should recognition of the employees of their performance; this motivates employees towards implementation strategic practices that the organization put in place. The study also recommended that organization structure adopted by the organizations must foster the administrative mechanisms by which ideas are evaluated, chosen and implemented.

Key Words: *effective corporate entrepreneurship, banking industry in Kenya, Equity Bank Limited*

Introduction

This study sought to explore the determinants of effective corporate entrepreneurship in the banking industry with specific focus to Equity Bank Limited. Today's business environment is characterized by continuous change as a result of fast changing technologies, ever increasing changes in customer demand and the growing levels of intense global competition (Ireland & Webb, 2009). Many businesses, in their quest for sustained competitive advantage, have reacted to these new set of challenges by downsizing, unbundling, focusing on core business, reengineering, decentralization, outsourcing, restructuring and relying on self-directed work teams (Burns, 2008). Unfortunately, sustained competitive advantage can no longer be found in simply lowering costs, higher quality and better service as these factors have now become the minimal criterion for remaining in the competitive game (Morris, Kuratko & Covin, 2008).

Corporate entrepreneurship (CE) is a term used to describe entrepreneurial behavior inside established mid-sized and large businesses (Morris *et al.,* 2008). Kuratko *et al., (*2005) defined corporate entrepreneurship as the process whereby an individual or group of individuals, in association with an established company, creates a new business or instigates renewal or innovation within the current business. Under this definition strategic renewal (business revitalization involving strategic and structural changes), innovation and corporate venturing are all-important parts of the term corporate entrepreneurship. CE promotes entrepreneurial behavior within a business. It uses the fundamentals of management, but adopts a behavioral style that challenges bureaucracy and encourages innovation through the examination of potential new opportunities, implementation, exploitation and commercialization of new products/services (McFadzean, O'Loughlin & Shaw, 2005). Importantly, corporate entrepreneurship is a vision-directed, business-wide reliance on entrepreneurial behavior as a method of stimulating innovation by utilizing the creative energies of all employees within the business (Ireland, Kuratko & Morris, 2006).

Statement of the Problem

Banking system in any economy is a vital service industry and where it is competitive and efficient, it is able to spur efficiency and innovation in the economy (Falkena & Shaw, 2004). In Kenya, Commercial Banks have been competing to win the customer over the others in terms of price, service standards, advertising, innovation in products and services offered, relationship management and product differentiation (Mbiti & Weil, 2011). Equity Bank Limited has been in forefront to embrace CE, hence making its brand known not only in the financial circles of East Africa, but across the continent and the world. While all banks (including Equity Bank Limited) open a greater number of branches in urban and highly populated areas, Equity Bank was more likely to expand to underdeveloped districts than other types of banks between the year 2006 and 2009 resulting to increased probability of having a bank account within Equity bank between 4% and 9% points (Allen, Carletti, Cull, Qian, Senbet & Valenzuela, 2012). Additionally, the proportion of households that had a bank account rose from 14% in 2006 to 23% in 2009, the impact of Equity Bank on financial access appears to be economically meaningful. The bank also managed to penetrate the market using its unique model by spending much of its time on its CE activities with its shareholder values growing by 900% creating immense wealth for shareholders. From a customer base of 27,000 in 1993, to nearly 8 million accounts in 2006 accounting for over 57% of all bank accounts in Kenya (Equity Bank Limited, 2012). Also the banks realized recommendable assets growth from asset base of ksh 28 million in1993 to becoming a leading all inclusive commercial bank with an asset base of ksh 220 billion. Returns have grown from a loss of ksh 5 million loss in 1993 to a profit of ksh 12.8 billion in 2011 making Equity Bank one of the most profitable companies in East Africa with compounded annual growth of 78% for the last ten years of which have been ravaged by global financial crisis.

Kenya’s long term development agenda spelt out in the vision 2030, targets an annual growth rate of 10% in the medium term with an investment rate of 30% of which a significant proportion will be financed through mobilizing domestic savings through financial sector which is viewed as substantially diversified and is dominated by banking institutions which have not evolved to provide long term capital adequately (Ngugi & Njenga, 2008). The equity and debt market are struggling to gain momentum. The development financial institutions have also not been performing effectively due to inadequate innovation capacity. If the anticipated investment level is to be achieved, it means that the financial sector must mobilize adequate and appropriate finance to meet the financing needs through investing in unbanked proportion and enhancing innovation among staffs. Otherwise the economical growth will be dwindling and development agenda will not be achieved. Further the potion of unbanked proportion will remain unutilized leaving major banks to enjoy this disadvantage. Further unemployment problem will remain problematic due to lack of flow of capital which can only be achieved if finance is adequate.

Local studies done include, Otunga, Opata and Muyia, (2001) did a study on women entrepreneurs in Eldoret town. In their study they found that socio-economic background is major factor enhancing entrepreneurship among women, Sesan and Stonge (2001) did a study on Support for Growth-Oriented Women Entrepreneurs in Ethiopia, Kenya and Tanzania. They found that economical orientation was the main need for entrepreneurship among the women entrepreneurs; Sagwe, Gicharu and Mahea (2011) did a study on youth and women entrepreneurs’ preparedness in Kenya; they found that only organized groups among the youth were beneficiary of Kenya Youth Enterprise Development Fund and Kenya Women Enterprise Fund. However, no study has focused on determinant of effective corporate entrepreneurship. It was against this background that the researcher aimed at filling the existing knowledgeable gap by investigating determinants of effective corporate entrepreneurship in the banking industry with specific focus to Equity Bank Limited.

Overall Objective

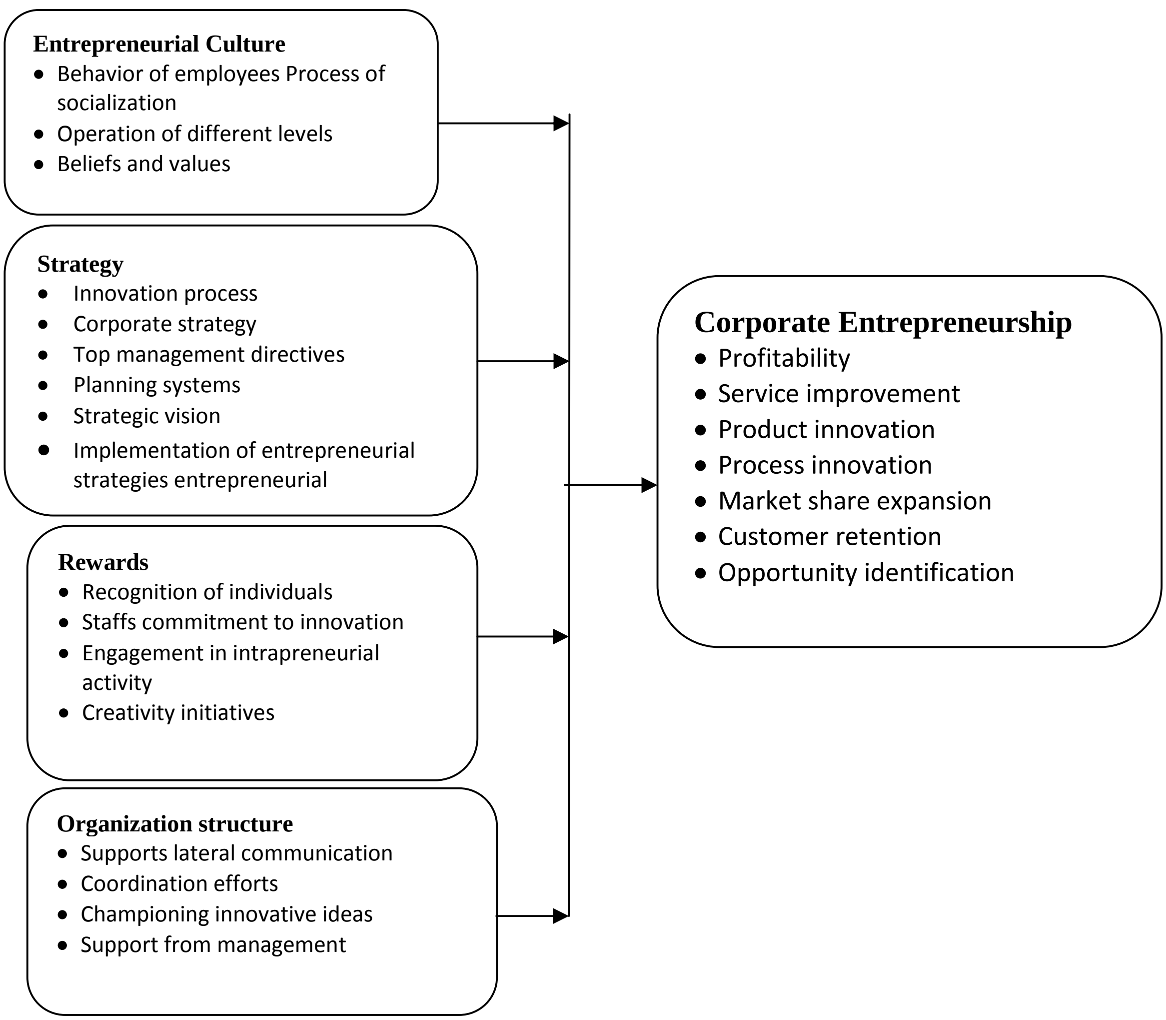
The main purpose of this study was to investigate determinants of effective corporate entrepreneurship in the banking industry with specific focus to Equity Bank Limited.

Specific Objectives

The specific objectives of this study were:

1. To ascertain effect of entrepreneurship culture on effective corporate intrapreneurship within Equity Bank Limited.
2. To establish influence of strategy adopted on effective corporate intrapreneurship within Equity Bank Limited.
3. To examine how reward influence effective corporate intrapreneurship within Equity Bank Limited.
4. To determine the influence of organization structure on effective corporate intrapreneurship within Equity Bank Limited.

Conceptual Framework



Independent Variable *Dependent Variable*

Theoretical Framework

Innovation Diffusion Theory

Innovation Diffusion Theory (IDT) consists of six major components: innovation characteristics, individual user characteristics, adopter distribution over time, diffusion networks, innovativeness and adopter categories, and the individual adoption process (Taylor and Todd, 1995). Arguably the most popular of the six components of IDT centers on the characteristics of the innovation itself. After analyzing a variety of previous innovation diffusion studies, Rogers (1983) singled out the following five characteristics of innovations that consistently influence the adoption of new technologies: relative advantage, compatibility, complexity, observability and trialability. In the domain of information systems, Moore & Benbasat (1991) built on the work of Rogers, amongst others, and expanded the array of innovation characteristics to seven. Three of the seven innovation characteristics are directly borrowed from Rogers: relative advantage, compatibility, and trialability. The fourth characteristic, ease of use, is a close relative to Rogers' complexity. It is worth noting that both relative advantage and ease of use are subjective characteristics since they can be viewed differently depending on an individual's perceptions.

System Dynamics Theory

System dynamics is a robust modeling method that explicitly simulates the cause/effect relationships underlying the dynamic of system (Titman & Tsyplakov, 2002). The approach leverages both existing historical data and the knowledge and experience of senior managers to develop a stochastic simulation model. The model is used to run Monte Carlo simulations and develop probability distributions for the variable of interest. The System Dynamics approach has several advantages, particularly for modeling operational risks, that is, it provides a systematic way to fill any gaps in historical data with input from experts, relying on their knowledge and experience. This is applicable particularly for modeling operational risks where it's often the case that there isn't enough representative data to apply the statistical methods (Kushner & Dupuis, 2002). It provides a way to determine how operational risks change as a function of changes in operations.

The dynamic setting relaxes several restricting assumptions common to static models. Specifically, the model assumes that, a firm can adjust its use of management instruments over time, management instruments expire as time progresses and that the available maturity of the management instruments is shorter than the life time of the firms and that there are transactions costs associated with initiation and adjustment of risk management contracts (Adam, 2002). The model produces a number of new time series and cross-sectional implications on how firms use short-term instruments to hedge long-term cash flow uncertainty.

Reinforcement Theory

Burrhus and Skinner (1974) advocated for reinforcement theory and states that individual's behavior is a function of its consequences. It is based on 'law of effect' such that individual's behavior with positive consequences tends to be repeated, but individuals' behavior with negative consequences tends not to be repeated. Reinforcement theory of motivation overlooks the internal state of individual, for example the inner feelings and drives of individuals are ignored (Burrhus & Skinner 1974).

This theory focuses on what happens to an individual when he takes some action. Thus according to Skinner, the external environment of the organization must be designed effectively and positively so as to motivate employees. The theory is a strong tool for analyzing controlling mechanism for individual's behavior. However it does not focus on the causes of individual's behavior. When speaking about reinforcement, most often rewards come to mind. A reward is an example of positive reinforcement. Skinner identifies other types of reinforcement of which managers can use to attain the desired results.

Operational Management Theory

Fayol has been described as the father of modern operational management theory (George, 1968). Although his ideas have become a universal part of the modern management concepts, some writers continue to associate him with Frederick Winslow Taylor. Taylor's scientific management deals with the efficient organization of production in the context of a competitive enterprise that has to control its production costs. That was only one of the many areas that Fayol addressed. Perhaps the connection with Taylor is more one of time, than of perspective.

According to Claude George (1968) a primary difference between Fayol and Taylor was that Taylor viewed management processes from the bottom up, while Fayol viewed it from the top down. In the classic General and Industrial Management Fayol wrote that Taylor's approach differs from the one he outlined in that he examines the firm from the bottom up. He starts with the most elemental units of activity- the workers' actions- then studies the effects of their actions on productivity, devises new methods for making them more efficient, and applies what he learns at lower levels to the hierarchy (Fayol, 1987). He suggests that Taylor has staff analysts and advisors working with individuals at lower levels of the organization to identify the ways to improve efficiency.

Research Methodology

Research design

Orodho (2003) defines a research design as the scheme, outline or plan that is used to generate answers to research problems. This study employed a descriptive research method. Creswell (2008) stated that the descriptive method of research is to gather information about the present existing condition. The emphasis was on describing rather than on judging or interpreting. The descriptive approach was quick and practical in terms of the financial aspect. Moreover, this method allowed a flexible approach, thus, when important new issues and questions arose during the duration of the study, further investigation was conducted.

Target population

Target population as described by Borg and Crall (2009) is a universal set of study of all members of real or hypothetical set of people, events or objects to which an investigator generalized the result. The target population of this study was Equity Bank Limited while the study population was 300 management staff, that is, unit heads, departmental heads, and credit managers working in head office units. This population was chosen since the people in the management were the ones involved in the day to day running of the bank and thus were well conversant with the information required in the study. Equity Bank Limited was chosen as the lead bank for the survey due to its emerging growth.

Sample Size and Sampling Technique

For this study, simple random sampling technique was used to select the sample to be included in the study. The method was chosen because every element in the population (Management team) had an equal chance of being selected as the sample. According to Sekaran (2011) simple random sampling has the lease bias and offered the most generalization and hence for the study to be more representative, it was important that the right method was chosen. Mugenda and Mugenda (2003) states that the descriptive studies 20% of the accessible population is a representative sample. Out of the 300 officers, the study will focus on a sample size of 60 Managers.

Data Collection Procedure and Instruments

The study employed a questionnaire to collect primary data. Questionnaires were appropriate for studies since they collected information that was not directly observable as they inquire about feelings, motivations, attitudes, accomplishments as well as experiences of individuals, Mellenbergh (2008). The questionnaire comprised of both open and close-ended questions. Franker, (2006) stated that a questionnaire is useful in obtaining objective data because participants are not manipulated in any way by the researcher. Further, questionnaires had the added advantage of being less costly and using less time as instruments of data collection.

Results

Inferential Analysis

To compute the correlation (strength) between dependent variable and the independent variables the study conducted inferential analysis which involved coefficient of correlation, coefficient of determination, ANOVA and a multiple regression analysis.

Karl Pearson's Coefficient of Correlation

To compute the correlation (strength) between the study variables and their findings the researcher used the Karl Pearson's coefficient of correlation (r). From the findings, it was clear that there was a positive correlation between corporate entrepreneurship and entrepreneurship culture as shown by a correlation figure of 0.512, it was also clear that there was a positive correlation between corporate entrepreneurship and corporate strategies adopted with a correlation figure of 0.609, there was also a positive correlation between corporate entrepreneurship and use of rewards with a correlation value of 0.732 and a positive correlation between corporate entrepreneurship and supportive organization structure staffs training with a correlation value of 0.518. This shows that there was a positive correlation between corporate entrepreneurship and entrepreneurship culture, corporate strategies, use of rewards and supportive organizational structure.

Table 4.1 Coefficient of Correlation

		Corporate Entrepreneurship	Entrepreneurship Culture	Corporate Strategies	Use of rewards	Organizational Structure
Corporate Entrepreneurship	Pearson Correlation	**1**				
	Sig. (2-tailed)					
Entrepreneurship culture	Pearson Correlation	.5120	1			
	Sig. (2-tailed)	.0023				
Corporate Strategies	Pearson Correlation	.6090	.3381	1		
	Sig. (2-tailed)	.0031	.0012			
Use of rewards	Pearson Correlation	.7320	.1210	.0608	1	
	Sig. (2-tailed)	.0027	.0150	.0042		
organizational structure	Pearson Correlation	.5180	.3370	.0000	.1580	1
	Sig. (2-tailed)	.0168	.0031	1.000	.0028	

Regression Analysis

The researcher further conducted a multiple regression analysis so as to analyze determinants of effective corporate entrepreneurship. The main purpose of multiple regressions is to learn more about the relationship between several independent or predictor variables and a dependent or criterion variable. The researcher applied the statistical package for social sciences (SPSS) to code, enter and compute the measurements of the multiple regressions for the study.

Model Summary

The coefficient of determination was carried out to measure how well the statistical model was likely to predict future outcomes. The coefficient of determination, r2 is the square of the sample correlation coefficient between outcomes and predicted values. As such it explains the contribution of the four independent variables that were studied (entrepreneurship culture, corporate strategies, use of rewards and supportive organizational structure)

All the four independent variables that were studied, explain only 83.4% of the implementation of corporate entrepreneurship as represented by the adjusted R^2. This therefore means that other factors not studied in this research contribute 16.6% of the corporate entrepreneurship. Therefore, further research should be conducted to investigate the other factors (16.6%) that influence corporate entrepreneurship.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.913	0.834	0.751	0.4538

ANOVA Results

In trying to test the significant of the model, the study used ANOVA. From table 4.12 the significance value is 0.001 which is less that 0.05 thus the model is statistically significance in predicting how entrepreneurship culture, corporate strategies, use of rewards and supportive organizational structure determine corporate entrepreneurship. The F critical at 5% level of significance was 2.58. Since F calculated is greater than the F critical (value = 5.52), this shows that the overall model was significant.

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0.342	4	0.086	5.52	.001
	Residual	0.636	41	0.016		
	Total	0.978	45			

Regression Coefficient

Multiple regression analysis was conducted as to determine the relationship between corporate entrepreneurship and the four variables. As per the SPSS generated table 4.19, the equation

($\mathbf{Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon}$) becomes:

$Y = 1.217 + 0.546X_1 + 0.728X_2 + 0.765X_3 + 0.612X_4$

The regression equation above has established that taking all factors into account (entrepreneurship culture, corporate strategies, use of rewards and supportive organizational structure) constant at zero, corporate entrepreneurship will be 1.217. The findings presented also shows that taking all other independent variables at zero, a unit increase in entrepreneurship culture will lead to 0.546 increase in corporate entrepreneurship; a unit increase in corporate strategies will lead to 0.728 increase in corporate entrepreneurship; a unit increase in use of rewards will lead to 0.765 increase in corporate entrepreneurship and a unit increase supportive organizational structure will lead to a 0.612 increase in corporate entrepreneurship. This infers that use of rewards contribute most to effective corporate entrepreneurship followed by corporate strategies then supportive organizational structure while entrepreneurship culture contributed the little to effective corporate entrepreneurship. This notwithstanding, all the variables were significant as their P-values were less than 0.05.

Regression Coefficients

	Unstandardized Coefficients		Standardized Coefficients		
Model	**B**	**Std. Error**	**Beta**	**t**	**Sig.**
(Constant)	1.217	0.342		1.528	.0342
Entrepreneurship culture	0.546	0.310	0.162	3.228	.0267
Corporate Strategies	0.728	0.156	0.209	3.441	.0278
Use of Rewards	0.765	0.322	0.059	3.536	.0201
Supportive Structure	0.612	0.245	0.132	3.427	.0241

Findings and Discussions

Entrepreneurship Culture

On entrepreneurship culture the study found that organization embrace entrepreneurship culture where management in various organizations fostered creativity and innovation by encouraging all employees to think like entrepreneurs and then give these employees the freedom and flexibility to pursue these ideas and innovative projects without being caught up in bureaucratic inertia. Likewise, the study found that fostering intrapreneurial behaviours and practices has consequently assumed prime importance in the corporate strategies in the organizations while entrepreneurship culture influence corporate intrepreneurship to a great extent. In regression equation, a unit increase in entrepreneurship culture will lead to 0.546 increases in corporate entrepreneurship.

Corporate Strategy

From the study, corporate strategy was considered as an important tool of developing corporate entrepreneurship within the organization. Management gave directives on application of the strategies towards CE. Organizations have sophisticated planning systems that produce comprehensive strategies for marketing, production and finance but ignore the subject of innovation. Further the study found that entrepreneurship strategies adopted by the organization, promotes strategic agility, flexibility, creativity and continuous innovation throughout the business. Additionally, the study found that corporate entrepreneurship is approached by a strategic mindset of top management through maintaining an ongoing business-wide innovation initiative to a great extent. In regression equation, a unit increase in corporate strategies will lead to 0.728 increases in corporate entrepreneurship.

Use of Reward

To the objective of reward and its influence on corporate entrepreneurship, the study established that the organization had set policies on reward system. Additionally, the study instituted that organization's system were oriented to rewarding individual who portrayed potential of creativity. Further, the study found that individual responsibility as the outcomes or expected outputs which were considered in rewarding individuals. Likewise the study found that management in organization freely and generously recognize creative work by individuals and teams even before the commercial impact of those efforts are known; organizations encourage employees to initiate their entrepreneurs capacity and in return pay them as entrepreneurs. Meanwhile the study found that corporate strategies influence corporate entrepreneurship to at a very large extent. In regression equation, a unit increase in use of rewards will lead to a 0.765 increase in corporate entrepreneurship.

Organization Structure

On organization structure, the study found that organization structure adopted enhance organizations entrepreneurial activity. Further the study revealed that organizations had re-engineered their organizational structure to encourage entrepreneurship. Additionally, the study found that busy schedule of the management staffs in organization, stifle creativity by either failing to acknowledge creative efforts or by greeting them with skepticism; organization institutionalize practices and organization structure adopted in organizations, foster the administrative mechanisms where ideas are evaluated, chosen and implemented while supportive organization structure influence CE to great extent. In regression equation, a unit increase in supportive organizational structure will lead to 0.612 increases in corporate entrepreneurship.

Conclusions

The study aimed at finding out the determinants of effective corporate entrepreneurship in banking industry. Based on the findings, the study concludes that organization embrace entrepreneurship culture where management in various organizations have fostered creativity and that innovation by encouraging all employees to think like entrepreneurs and then give these employees the freedom and flexibility to pursue these ideas and innovative projects without being caught up in bureaucratic inertia.

To corporate strategy the study concluded that organization consider it as an important tool of developing corporate entrepreneurship within the organization where management gave directives on application of the strategies towards CE. Organizations have sophisticated planning systems that produce comprehensive strategies for marketing, production and finance but ignore the subject of innovation.

On reward and its influence on corporate entrepreneurship, the study concluded that the organization uses rewards as a tool of corporate entrepreneurship and wealth creation at a large extent and that the organization had set up an employee’s reward policy. The study also instituted that organization’s system were oriented to rewarding individual who showed potential of creativity while individual responsibility as the outcomes or expected outputs which were considered in rewarding individuals.

Further the study concluded that organization structure adopted by the organization enhance organizations entrepreneurial activity. Further the study concluded that organizations had re-engineered their organizational structure to encourage entrepreneurship. Additionally, the study concluded that busy schedule of the management staffs in organization, stifle creativity by either failing to acknowledge creative efforts or by greeting them with skepticism where ideas are evaluated, chosen and implemented while supportive organization structure influence CE to great extent.

References

Amo, B. W. & Kolvereid, L. (2005). Organizational strategy, individual personality and innovation behavior. *Journal* of *enterprising culture*, 13(1):7-9.

Arlo, B. D. **(**2002). Creating creativity. *Supervision*, 63(2):16-18.

Asbury, S. **(**2003). Learn how to tolerate stupid ideas. *Business Day,* 23 Sept.

Baran, D. & Velickaite, R. **(**2008). Building the theoretical framework of entrepreneurship. Paper delivered at the Fifth International Scientific Conference, Business and management held in Vilnius, Lithuania on 16 and 17 May 2008. p.21-30.

Bessant**,** J. **(**2003). High-Involvement innovation. West Sussex: John Wiley & Sons Ltd.

Bhardwaj, B.R., Agrawal, S. & Momaya, K. **(**2007). Corporate entrepreneurship model: source of competitiveness. *Management review,* 19(2):131-145.

Burns, P. (2008). Corporate entrepreneurship: Building the entrepreneurial organization. 2nd ed. Hampshire: Palgrave Macmillan.

Central Bank of Kenya, (2009). Bank Supervision Report, Nairobi.

Cooper, R. D. & Schindler, S. P. (2003). Business research methods (8th ed.). NewYork: McGraw-Hill/Irwin

Cooper, R. G. (2001). Winning at new products: accelerating the process from idea to launch. 3rd ed. New York, NY: Perseus Publishing.

Cooper, R.G. & Kleinschmidt, E. J. (2007). Winning businesses in product development: the critical success factors. *Research technology management, 50(3):52*-66.

Covin, J. G. & Slevin. D. P. (2010). Strategic management of small firms in hostile and benign environments. *Strategic management journal,* 10(1):75-87.

Creswell, J. W. (2008). *Research Design: Qualitative,* Quantitative, and Mixed Methods Approaches. Thousand Oaks: Sage Publications, Inc.

David, F. R. (2007). Strategic management: concepts & cases. 11th ed. Upper Saddle River, NJ : Prentice Hall.

Dess, G. G. & Lumpkin, G. T. (2005). The role of entrepreneurial orientation in stimulating effective corporate entrepreneurship_ *Academy of management executive!* 19(1):147-156.

Drejer, A. (2006). Strategic innovation: a new perspective on strategic management. *Handbook* of*business strategy, 7(1):143-147.*

Equity Bank Limited, (2008). Annual Report on Strategic Plan, Equity Bank Limited 2007-2010.

Equity Bank Limited, (2012). Annual Report & Financial Statements Nairobi, Equity Bank Limited

Esterhuizen, D., Van Rooyen, C. J. & D' Haese, L. (2008). An evaluation of the competitiveness of the agribusiness sector in South Africa. *Advances in competitive research,* 16(1 &2):31-46.

Falkena, H. Gabriel, D. Hawkins, P. Llewellyn, D. Luus, C. Masilela, E. Parr, G. Pienaar, J. & Shaw, H. (2004*). Competition in South African Banking: Task Group Report for National Treasury and the South African Reserve Bank*. Pretoria.

Gautschi, T. (2001). Invest in creativity. *Managing design:135,* July. 18.

Gillham, B. (2000). Case study research methods. London: Continuum.

Govendo, J. A. (2001). Put employees' creativity to work, and see your firm grow. *Boston business journal.* 20(11):36.

Harper, S. C., Glew, D. J. & Rowe, J. D. (2008). Corpreneurship: creating your future. *Industrial management, 50(5):12-17.*

Hayton, J. C. (2005). Promoting corporate entrepreneurship through human resource management practices: a review of empirical research. *Human resource management review,* 15(1):21-41.

Heinonen, J. & Toivonen, J. (2008). Corporate entrepreneurs or silent followers? *Leadership and organizational deve/opmentjourna/,* 29(7):583-599.

Hitt, M. A., Ireland, R. D., Camp, S. M. & Sexton, D. L (2003). Strategic entrepreneurship: integrating entrepreneurial and strategic management perspectives. Oxford: Blackwell Publishers. p. 1-16.)

Hitt, M. A., Ireland, R. D. & Hoskisson, R. E. (2007). Strategic Management: competitiveness and globalization. Mason, OH: South-Western.

Ireland, R. D. & Webb, J. W. (2009). Crossing the great divide of strategic entrepreneurship: transitioning between exploration and exploitation. *Business horizons, 52(5):469-479.*

Ireland, R. D., Kuratko, D. F. & Morris, M. H. (2006). A health audit for corporate entrepreneurship: innovation at all levels: part 1. *Journal* of *business strategy,* 27(1):10 17.

Jimenez-Jimenez, D. & Sanz-Valle, R. **(**2005). Innovation and human resource management fit: an empirical study. *Internationaljournal ofmanpower, 26(4):364-381*.

Joppe, M. (2000). The Research Process: Tests and Questionnaires. *Quantitative Applications in the Social Sciences* (pp. 211--236).

Kamau, M., & Anami, L. (2010). Corporate social responsibility now a priority. *Standard Newspaper*, 20 December, 2011.

Sagwe, J., Gicharu, S. & Mahea, T. (2011). A *Study on Youth and Women Entrepreneurs' Preparedness in Kenya: A Case Study of the Kenya Youth Enterprise Development Fund and Kenya Women Enterprise Fund Beneficiaries using the Tristart Business Evaluation* Tool. Kenya Institute of Management Publication, 2011

Sesan L. & Stonge, A. (2001). *Support for Growth-Oriented Women Entrepreneurs in Ethiopia, Kenya and Tanzania*, an Overview report, International Labour office, Geneva.

Kaplan, R. S. & Norton, D. P. **(**1992). The balanced scorecard: measures that drive performance. *Harvard business review, 70(1):71-85.*

Khandekar, A. & Sharma, A. (2005). Managing human resource capabilities for sustainable competitive advantage. *Education and training, 47(8/9):628-639.*

Kuczmarski, T., Middlebrooks, A. & Swaddling, J. (2001). Innovating the corporation: creating value for customers and shareholders. Chicago, IL : NTC business books.

Kuratko, D. F., Ireland, R. D. & Hornsby, J. S. (2001). The power of entrepreneurial actions: Insights from Acordia, Inc. *Academy of Management Executive*, 16(4), 49-63.

Kuratko, D. F., Ireland, R. D., Covin, J. G. & Hornsby, J. S. (2005). A model of middle-level managers' entrepreneurial behavior. *Entrepreneurship theory and practice,* 29(6):699-716.

Lau, C-M. & Ngo, H. Y. (2004). The HR system, organizational culture, and product innovation. *International business review, 13(6):685-703.*

Leifer, R., McDermott, C., Colarelli., G., Peters, L., Rice, M. & Veryzer, R. (2000). *Radical innovation: How mature companies can outsmart upstarts.* Boston, Massachusetts: Harvard Business School Press.

Maes, J. (2003). The search for corporate entrepreneurship: a clarification of the concept and its measures.

Mauzy, J. & Harriman, J. (2003). Creativity: building an inventive organization. Boston, M. A : Harvard Business School Publishing.

Mavondo, F. T., Chimhanzi, J. & Stewart, J. (2005). Learning orientation and market orientation: relationship with innovation, human resource practices and performance. *European journal of marketing*, 39(11/12):1235-1263.

Mcfadzean, E., O'loughlln, A. & Shaw, E. (2005). Corporate entrepreneurship and innovation part 1: the missing link. *European journal* of *innovation management*, 8(3):350-372.

Mcgrath, R.G. & Macmillan, I. (2000). The entrepreneurial mindset. Boston, MA: Harvard Business School Publishing.

Otunga, R. N., Opata, G. & Muyia, F. N. (2001). *Women entrepreneurs in Eldoret town: their socioeconomic background and business performance, in Alila*, P.O., Pedersen, P.O. (Eds),Negotiating Social Space: East African Micro Enterprises, Africa World Press, Trenton, NJ.

Meyer, G. D., Neck, H. M. & Meeks, M. D. (2002). The entrepreneurship-strategic management interface. *Un* Hitt, M.A., Ireland, R.D., Camp, S.M. &Sexton, D.L. *eds.* Strategic entrepreneurship: creating a new mindset. Oxford: Blackwell Publishers Ltd. p. 19-44.)

Morris, M. H., Kuratko, D. F. & covin, J. G. (2008). Corporate entrepreneurs and innovation. 2nd edited. Mason, OH : South-Western.

Morris, M. H., Van Vuuren, J., Cornwall, J. F. & Scheepers, R. (2009). Properties of balance: a pendulum effect in corporate entrepreneurship. *Business horizons, 52(5):429-440.*

Mugenda, O. M. & Mugenda, A. G. (2003). *Research Methods: Quantative and Qualitative Approaches.* Nairobi: ACTS Press.

Mumford, M. D., Scott, G. M., Gaddis, 8. & Stange, J. M. **(**2002). Leading creative people: Orchestrating expertise and relationships. *The leadership quarterly*, 13(6):705-750.

Mutuku K. (2005). The Relationship Btw CSR and Financial Performance: A case of publicly quoted companies in Kenya. *Unpublished MA Thesis.* University of Nairobi.

Noe, R. A., Hollenbeck, J. R., Gerhart, B. & Wright, P. M. **(**2006). Human resource management: gaining a competitive advantage. 5th ed. Boston, MA: McGraw Hill.

Orodho, (2003). Essentials of educational and social sciences research methods: Qualitative and Quantitative Approaches. Nairobi Acts press

Russell, R. (2006). Developing a process model of intrapreneurial systems: A cognitive mapping approach. *Entrepreneurship Theory and Practice.* 23(3): 65-85.

Rutherford, M. W. & Holt, D. T. (2007). Corporate entrepreneurship: an empirical look at the innovativeness dimension and its antecedents. *Journal of organizational change management* 20(3):429-446.

Scarbrough, H. (2003). Knowledge management, HRM and the innovation process. *International journal of manpower*, 24(5):501 16.

Schilling, M. A. (2005). Strategic management of technological innovation. Boston, MA: McGraw-Hili Irwin.

Schraeder, M. & Becton, J. B. (2003). An overview of recent trends in incentive pay programs. *The coastal business journal*, 2(1):18-27.

Searle, R. H. & Ball, K. S. (2003). Supporting innovation through HR policy: evidence from the UK. *Creativity and innovation management, 12(1):50-62.*

Sharma, P. & Chrisman, J. J. (2009). Toward a reconciliation of the definitional issues in the field of corporate entrepreneurship. *Entrepreneurship: Theory and Practice*. 23(3): 11-27.

Simpson, L. **(**2001). Fostering creativity. *Training*, 38(12):54-58.

Thompson, J. R., Strickland, A.J. & Gamble, J. E. (2007). Crafting and executing strategy: the quest for competitive advantage: concepts and cases. 15th edition. Boston, MA: McGraw-HilI.

Twomey, D. F. & Harris, D. L. **(**2002). From strategy to corporate outcomes: aligning human resource management systems with entrepreneurial intent. *International journal* of *commerce* & *management*, 10(3/4):43-56.

Uittenbogaard, B., Broens, L. & Groen, A. J. (2005). Towards a guideline for design of a corporate entrepreneurship function for business development in medium sized technology-based companies. *Creativity and innovation management, 14(3):258*271.

Voelpel, S. C., Leibold, M. & Eckhoff, R. A. (2006). The tyranny of the balanced scorecard in the innovation economy. *Journal* of *intellectual.*

Von Stamm, B. (2008). Managing innovation, design and creativity. 2nd ed West Sussex. John Wiley & Sons.

Wang, Z. & Zang, Z. (2005). Strategic human resources, innovation and entrepreneurship fit: a cross-regional comparative model. *International journal* of *manpower*, 26(6):544-559.

Ward, T. B. (2004). Cognition, creativity, and entrepreneurship. *Journal* of *business venturing*, 19(2): 173-188.

Zhao, F. (2005). Exploring the synergy between entrepreneurship and innovation. *International journal* of *entrepreneurial behaviour and research*, 11 (1):25-41.