EFFECT OF INTRAPRENEURSHIP ON THE PERFORMANCE OF SELECTED MANUFACTURING FIRMS IN SOUTH EAST NIGERIA

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Abstract
This study investigates the impact of intrapreneurship proxy by innovativeness, proactiveness, and risk-taking on the performance of manufacturing firms in South-East Nigeria. A survey design was employed, utilizing structured questionnaires to streamline data collection and analysis. The study population consisted of 1,000 employees from ten selected manufacturing companies, each having over 70 staff members and a minimum of five years of operational history. Using the Taro Yamane formula, a sample size of 308 was determined and increased by 30% to 400 to ensure an adequate response rate. Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) to assess the measurement and structural models. The findings revealed that innovativeness and proactiveness significantly impact organizational performance, while risk-taking does not exhibit a significant effect. Based on these results, it is recommended that manufacturing firms in South-East Nigeria should prioritize innovativeness by investing in R&D, fostering creativity, and leveraging advanced technologies to enhance competitiveness. While proactiveness also plays a vital role, firms should adopt a forward-thinking approach by anticipating market changes, training employees in strategic decision-making, and building strong stakeholder relationships. Since risk-taking did not show a significant impact on performance, firms should focus on calculated risks through thorough market analysis, risk mitigation strategies, and financial stability to ensure long-term sustainability.
Keywords: Intrapreneurship, Innovativeness, Proactiveness, Risk-Taking, Organizational Performance

INTRODUCTION

Organizational performance remains a vital indicator of sustainability, competitive advantage, and long-term survival for manufacturing firms, particularly within developing economies like Nigeria (Anyanwu & Egwu, 2016). Performance in manufacturing firms encompasses various measurable outcomes such as profitability, productivity, innovation capability, market share, and customer satisfaction, reflecting the overall efficiency and effectiveness of organizational strategies and operations (Agu & Okafor, 2021). Specifically, manufacturing firms in South East Nigeria operate under significant challenges, including infrastructural deficits, market volatility, and intense competitive pressures, necessitating strategic innovation practices to improve performance and ensure survival (Onuoha & Uchenna, 2020).

Intrapreneurship, the practice of fostering entrepreneurial initiatives within a company, is a crucial driver of innovation and performance. Major corporations like Google and Minnesota Mining and Manufacturing Company (3M) have leveraged intrapreneurial cultures to encourage internal innovation, which has significantly contributed to their success (Hisrich & Kearney, 2012). The rapid pace of globalization, technological advancements, and increasing competition have heightened the need for firms to tap into the creative potential of their employees. Intrapreneurship enables organizations to remain competitive and achieve sustainable growth by empowering employees to innovate from within (Dirani et al., 2019).

In developing economies, particularly across Africa, intrapreneurship has gained traction as a strategy to address economic challenges and drive innovation (Chetty, 2022). Despite resource limitations and infrastructural constraints, African businesses have increasingly adopted intrapreneurial approaches to reduce costs, improve product development, and adapt to changing market conditions (Schachtebeck et

al., 2019; Tak, 2016). While countries like Kenya and South Africa have seen positive results from such initiatives, the adoption of intrapreneurship across the continent remains uneven, largely due to differing economic and regulatory landscapes (Mutiria, 2024; Urbano et al., 2013).

In Nigeria, intrapreneurship has emerged as a tool for boosting organizational performance, particularly in the manufacturing sector. Research suggests that Nigerian firms adopting intrapreneurial practices tend to experience higher growth, increased productivity, and improved product development (Falola et al., 2018). Additionally, intrapreneurship has been linked to enhanced competitiveness, helping firms navigate Nigeria's volatile business environment with greater agility (Udeh & Akpan, 2020).

The integration of key intrapreneurial elements such as innovativeness, proactiveness, and risk-taking is essential for achieving the desired state of sustained growth, innovation, and competitiveness. Innovativeness, defined as the ability to generate new ideas, products, or processes (Taatila, 2012), is crucial for overcoming external challenges like infrastructure deficits and market competition. By fostering an innovative culture, firms can develop solutions tailored to local needs, such as energy-efficient production processes to mitigate power shortages or creating products that cater specifically to regional consumers. This ability to innovate will position firms to not only compete more effectively in local markets but also to expand their reach in international markets, driving long-term growth.

Proactiveness and risk-taking are equally vital in positioning firms for success in an unpredictable business environment. Proactiveness, the ability to lead business ventures rather than react to market changes (Chhabra & Mehrotra, 2021), enables firms to anticipate market demands and emerging trends, giving them the foresight to introduce new products or enter untapped markets ahead of competitors. This proactive approach will ensure that firms maintain a competitive edge. Additionally, risk-taking, the willingness to embrace uncertainty to pursue opportunities (Zhang et al., 2021), is critical for navigating Nigeria's volatile business landscape. By adopting calculated risks, such as diversifying product lines or expanding into new markets, firms can seize opportunities that others may overlook, increasing their market share and profitability. Together, these intrapreneurial elements will help manufacturing firms in South-East Nigeria overcome challenges, drive innovation, and achieve the desired state of growth and competitiveness in the manufacturing sector in South-East Nigeria.

The manufacturing sector is a key driver of economic growth in emerging economies, and intrapreneurship entrepreneurial activities within established firms has been identified as a critical factor influencing firm performance, particularly through innovation, proactiveness, and risk-taking (Kuratko, 2016). However, in Southeast Nigeria, the high rate of manufacturing firm emergence and collapse indicates significant challenges, particularly in the implementation of intrapreneurship processes. Many firms struggle to integrate entrepreneurial practices into their operations, which hampers their ability to innovate and compete effectively. Despite the growing recognition of intrapreneurship's benefits, there is limited empirical research on its impact in Southeast Nigeria’s manufacturing sector, with most studies focusing on developed economies or other industries like services and technology (Osuagwu, 2019; Eze & Ogiji, 2013). This gap highlights the need for region-specific research that considers the unique economic, cultural, and industrial dynamics of Southeast Nigeria.

Moreover, existing studies have primarily explored the general concept of intrapreneurship without thoroughly examining its specific dimensions, such as innovation, proactiveness, and risk-taking. These dimensions have varying impacts on firm performance depending on the context, and their influence on both financial and non-financial outcomes, such as employee satisfaction and customer loyalty, remains underexplored in manufacturing firms (Augusto-Felício et al., 2012). This study aims to address this gap by exploring how these intrapreneurial dimensions affect non-financial performance in Southeast Nigeria’s manufacturing sector. By considering the region's unique socio-economic conditions, the research seeks to provide valuable insights for managers to implement strategies that enhance innovation, competitiveness, and overall firm growth.

To guide the study, the following objectives were stated:

i. To determine the effect of innovativeness on the performance of manufacturing firms in South-East Nigeria.
ii. To assess the effect of proactiveness on the performance of manufacturing firms in South-East Nigeria.
iii. To determine the effect of Risk-taking on the performance of manufacturing firms in South-East Nigeria.

Based on the foregone, the following null hypotheses were formulated to guide the study:

H01: Innovativeness has no significant effect on the performance of manufacturing firms in South-East Nigeria.

H02: Proactiveness has no significant effect on the performance of manufacturing firms in South-East Nigeria.

H03: Risk-taking has no significant effect on the performance of manufacturing firms in South-East Nigeria.

LITERATURE REVIEW

Intrapreneurship

Intrapreneurship is a form of entrepreneurship that occurs within established organizations, where employees adopt an entrepreneurial mindset to drive innovation and business growth. According to Chhabra and Mehrotra (2021), it involved cultivating entrepreneurial characteristics within an organization, empowering employees to innovate, take risks, and engage in strategic activities. Intrapreneurship is often seen as the practice of innovation within an existing company structure. Onea (2023) defined it as a set of innovation-focused activities where employees initiate the development of new products, services, practices, or strategies to enhance the organization's competitive edge. This internal entrepreneurship allows companies to remain dynamic, similar to startups, by fostering creativity, improving operational processes, and discovering novel opportunities that can lead to greater efficiency and customer satisfaction.

Further definitions emphasize intrapreneurship as a profitable and strategic process within companies. Arun et al. (2020) described it as a role where employees act as individual intra-corporate entrepreneurs, taking ownership of initiatives that align with the company's goals. Chukwudifu (2022) expanded on this by defining intrapreneurship as starting a business while working for someone else," highlighting how employees can spearhead new business ventures within the organization. Stevenson and Jarillo (2019) viewed it as a process where employees explore new possibilities regardless of the resources currently available to them. Esen and Şekerdil (2017) offered a broader definition, describing intrapreneurship as entrepreneurial activities within an organization that may include the creation of new ventures as well as other innovation initiatives. These definitions underscore the role of intrapreneurs in driving growth, strategic advantage, and long-term profitability from within the company, fostering a culture of continuous innovation and adaptability.

Innovativeness

Innovativeness encompasses the creation of new products, services, processes, or technologies that offer creative solutions to existing challenges and enhance value. Chhabra and Mehrotra (2021) highlighted that innovativeness extends beyond product development to include the transformation of production processes, techniques, and technologies, suggesting that firms can innovate through improvements across all aspects of business operations. This broad view emphasizes the importance of change at multiple levels within an organization, integrating technological advancements and evolving methods to remain competitive. Taatila (2012) further defined innovativeness as the ability to generate new ideas, products, or processes that address problems in unique ways, focusing on the creative aspect of innovation as a means of solving real-world issues. Innovativeness, therefore, is not just about novelty but also about providing practical value by addressing challenges in a fresh and effective manner.

Additionally, Ijeoma and Onuoha (2018) and Rahaman et al. (2021) framed innovativeness as an organization's or individual's ability to quickly adapt and integrate new ideas into business practices. They suggest that innovation is not solely about creating entirely new concepts but also about adopting and incorporating these ideas into day-to-day operations. Rahaman et al. (2021) emphasized that innovation can be incremental, involving new approaches to existing products or processes. This adaptability and agility in embracing change are crucial for sustained innovation in both product development and operational processes. Paulus and Hermanto (2022) underlined the importance of creativity within organizations, noting that companies must actively cultivate and support creativity to introduce new offerings. In this context, innovativeness becomes a structured process, as described by Diaz and Sensini (2020), where idea generation, product development, and testing are critical steps for business growth and survival. Their definition stresses that a systematic approach to innovation is necessary for businesses to adapt, evolve, and meet market demands, ensuring long-term competitiveness and sustainability.

Proactiveness

Proactiveness, as defined by various scholars, emphasizes the importance of foresight, initiative, and an anticipatory approach in navigating competitive markets. Chhabra and Mehrotra (2021) described proactiveness as an organizational attribute where businesses actively seek to lead rather than follow competitors, focusing on taking the initiative in critical ventures rather than merely reacting to industry trends or customer demands. Wales et al. (2016) expanded on this by associating proactiveness with a forward-looking, anticipatory mindset, where leaders consistently seek new opportunities and identify potential threats before they materialize. Similarly, Ijeoma and Onuoha (2018) defined proactiveness as the practice of acting ahead of anticipated future circumstances, highlighting the role of foresight in addressing potential challenges or opportunities preemptively. Haddad and Jamieson (2019) and Chukwudifu (2022) also reinforced this idea by framing proactivity as anticipating future events and needs rather than simply responding to immediate issues. Collectively, these perspectives underline the proactive ethos of recognizing and seizing opportunities before they fully manifest.

Furthermore, proactiveness entails deliberate action and strategic planning to address emerging scenarios. Paulus and Hermanto (2022) centered their definition on the anticipation of future problems and changes while actively pursuing profitable business opportunities. Kapaya et al. (2018) echo this by emphasizing the importance of preparing for future scenarios by adjusting strategies and operations to meet anticipated needs and changes. This forward-thinking approach is reinforced by Okpalanozie (2024) and Smith (2020), who argue that proactiveness involves not just reacting to external forces but actively seeking and creating opportunities for innovation and growth. According to Okpalanozie, being proactive allows organizations to take control of their environment by identifying areas for advancement rather than waiting for opportunities to arise, aligning closely with Smith's notion of extending beyond reactive strategies to a forward-thinking, opportunity-driven mindset. Together, these insights position proactiveness as a cornerstone of organizational success, requiring continuous anticipation, innovation, and initiative.

Risk-Taking

Risk-taking, as defined by various scholars, emphasizes the conscious engagement with uncertainty in pursuit of opportunities, with a recognition of the potential for loss or failure. Zhang et al. (2021) described risk-taking as embracing uncertainty while navigating dynamic environments where outcomes cannot be fully predicted or controlled. This mindset fosters innovation and adaptability, reflecting an openness to engage with unknown variables. Rahaman et al. (2021) reinforced this by defining risk as the possibility of negative outcomes, such as failure or loss, grounding risk-taking in the understanding that uncertainty is intrinsic to decision-making. Similarly, Ijeoma and Onuoha (2018) highlighted that risk-taking involves engaging in perilous actions with a clear purpose or objective, distinguishing it from reckless behavior. This strategic intent is echoed by Ibrahim and Martins (2020), who defined risk-taking as the willingness to commit resources to uncertain ventures, emphasizing its calculated and purposeful

nature. Sutton et al. (2016) added that risk-taking entails venturing into uncharted territory with an understanding of potential setbacks, underscoring the awareness required in such endeavors.

Cohen (2016) and Mishra (2020) further elaborated on the strategic and goal-oriented aspects of risk-taking. Cohen frames it as the conscious acceptance of uncertainty in decision-making processes, where individuals or organizations weigh potential risks against expected rewards. This perspective positions risk-taking as an informed and deliberate act rather than an impulsive one, requiring strategic thinking and awareness of possible outcomes. Mishra expands this notion by emphasizing that risk-taking is not merely about exploring the unknown but is a purposeful activity aimed at achieving specific objectives or rewards. This view aligns with Ibrahim and Martins' focus on the strategic allocation of resources in uncertain contexts. Together, these definitions highlight risk-taking as a deliberate, goal-driven approach to embracing uncertainty, where individuals and organizations balance the inherent unpredictability of outcomes with the potential for significant rewards, fostering innovation and growth.

Organizational Performance

Organizational performance encompasses multiple dimensions that collectively assess how effectively an organization achieves its objectives. Sedarmayanti (2017) defined it as the combined result of employees' performance and management processes, emphasizing the interplay between human contributions and structural efficiency. Employees' performance reflects their skills, engagement, and individual contributions, while management processes encompass strategies, systems, and practices that ensure smooth operations. Wibowo (2016) further highlighted the role of leadership and disciplined work practices, arguing that the achievement of predetermined goals depends on effective leadership and a strategic focus on competence at all levels. This underscores that organizational performance is driven by a synergy between human capital and strategic leadership, ensuring the organization stays aligned with its objectives.

Resource management and strategic alignment also play critical roles in defining organizational performance. Neely et al. (2014) described it as the effectiveness with which an organization leverages available resources human, financial, and technological to achieve its goals. This perspective emphasizes that optimal resource utilization is as crucial as setting clear objectives. Lemon and Verhoef (2016) complement this view by asserting that performance should be measured by comparing actual outputs against intended goals, thereby highlighting the importance of continuous evaluation. Richard et al. (2009) expands on this by defining performance in terms of an organization's operational capability to align resources, processes, and objectives effectively. Operational capability involves the execution of strategies to achieve results, while Bolland and Lopes (2018) stress the role of information in monitoring outcomes and informing decisions. By leveraging data to focus on critical objectives, organizations can refine strategies and ensure sustained alignment between resources and goals, ultimately driving performance.

Empirical Review

Morais et al (2021) examined the development of intra-entrepreneurship, its characteristics, the factors that precede it, and also reflects on the relationship between intra-entrepreneurship, innovation, and competitiveness of organizations. The methodological approach consisted of a systematic descriptive-discursive review of the academic literature with research in databases (CAPES Journal Portal, EBSCO HOST, and Web of Science). The keywords used were: corporate entrepreneurship, intra-entrepreneurship, innovation, competitiveness, and competitive advantage (in Portuguese and English). The research found that intra-entrepreneurship and innovation go hand in hand. Together, they constitute dynamic and holistic processes in which employee behavior, combined with favorable organizational factors, affect the development of organizations and the possibility of developing a competitive advantage, not limited to new companies. This article contributes to the literature on intra-entrepreneurship, reinforcing its importance, along with innovation for organizational development.

However, the context differs from the present study as such the findings may not apply to manufacturing firms in South East Nigeria.

Madzikova and Nani (2020) investigated the impact of intrapreneurship on the growth of iron and steel manufacturing companies in Bulawayo, Zimbabwe, using a mixed-method approach within a post-positivist paradigm. The study involved 315 middle management and supervisory staff from 22 companies, with 200 participants in the quantitative phase and 8 in the qualitative phase. Data were collected via questionnaires and in-depth interviews, and analyzed using descriptive and inferential statistics for the quantitative data and thematic analysis for the qualitative data. The findings highlighted that innovativeness, proactiveness, and risk-taking were key dimensions of intrapreneurship, which was statistically correlated with company growth. Growth measures included financial performance, employee numbers, productivity, and product range. Despite this correlation, the study concluded that intrapreneurship was not a preferred growth strategy among these companies. It also identified financial performance and product range as primary indicators of growth, and recommended enhancing support for employee intrapreneurial activities. However, as the research was specific to Bulawayo, Zimbabwe, its findings may not be directly applicable to manufacturing firms in Southeast Nigeria due to regional differences.

Rahaman et al. (2021) examined the impact of three factors: risk-taking, innovativeness, and proactiveness on SME performance in Bangladesh. The study has gathered data from SME entities in Dhaka city of Bangladesh, by applying a non-probability sampling strategy. 250 SME owners were contacted to act as respondents and finally, 180 SME owners fully completed the survey questionnaire, indicating that the final sample size is n=180. SPSS is used as a purpose of testing the hypotheses by considering a 5% significance level as acceptance criteria of the hypothesis. Hierarchical regression analysis was run to understand the impact of control variables and independent variables on SME performance and found that age of business, risk-taking, innovativeness, and proactiveness have an important impact on SME performance in Bangladesh. However, this study was carried out in Bangladesh, the study findings were also not related to manufacturing firms as such generalization of the findings to manufacturing firms in South-East Nigeria may not apply due to regional and contextual difference.

Mbaka (2017) examined the strategic determinants of intrapreneurial orientation at the Kenya Institute of Management. The main objective was to establish the strategic determinants of intrapreneurial orientation at the Kenya institute of management. The study population comprised of employees with strategic roles at the Kenya Institute of Management. Census survey was used in the study in which data was gathered from every member of the population. Primary data was collected through a structured questionnaire measured on a five-point Likert scale. A two-step of statistical analysis was applied; the first stage involved descriptive statistical analysis where Means and standard deviations were computed. The second stage involved inferential analysis which was performed to determine the relationship among the variables. The study conducted correlation analysis to test the strength of association between the research variables using Pearson's Product Moment Correlation Coefficient (r) statistical tool to help arrive at conclusions. Confirming the researcher's expectations, the study established that, intrapreneurial orientation is largely composed of three indicators. These are; proactiveness, innovation and risk taking, which are the most significant measures of intrapreneurial orientation. The study also established that the main strategic determinants of intrapreneurial orientation are; management support, rewarding intrapreneurial effort, work discretion, time availability and organizational boundaries. The findings were in agreement with previous study results. From the regression model, these five determinants contribute 61% of intrapreneurial orientation at the Kenya Institute of Management. However, this study was carried out in Kenya with a mediating variable, regression was used as tool for data analysis, the study findings also does not relate to manufacturing firms as such generalizing the study findings to manufacturing firms in South East Nigeria may not apply due to contextual and regional difference.

Okwurume (2022) investigated how entrepreneurship culture influenced the quality of work-life of employees of insurance firms in Rivers State using 4 out of 22 Insurance firms in Rivers State based on accessibility. A sample size of 185 participants was drawn from a population of three hundred and forty-four (344) using the Taro Yammane formula. Using cross sectional design, one hundred and sixty-six (166) copies of questionnaire were utilized for data analysis and Spearman rank order correlation coefficient was used to test the 10 null hypotheses formulated using Statistical Package for Social Science (SPSS), version 20. Results showed a positive and remarkable connection between proactiveness and employment quality, proactiveness and job satisfaction, proactiveness and job involvement, innovativeness and employment quality, innovativeness and job satisfaction, innovativeness and job involvement, risk-taking and employment quality, risk-taking and job satisfaction and risk-taking and job involvement. The findings also revealed that societal culture moderates intrapreneurship culture and quality of work-life of employees of insurance firms. The study recommended that: Organizations that want employees to take risks, innovate, be proactive and accomplish challenging tasks, must create an enabling work environment to encourage such employees to take certain decisions themselves; employees should not be punished when they make mistakes and in order to remain competitive, organisations should adopt flexible procedures rather than using a prewritten manual. Nevertheless, this study was carried out in the insurance sector, the study findings may not apply to manufacturing firms in South East Nigeria.

Johnson-Adeoti and Asabi (2016) investigated the impact of intrapreneurship on corporate goal achievement in food and beverage firms in Lagos State, Nigeria. The study focused on two key objectives: assessing the influence of management support for intrapreneurial dimensions on corporate goal achievement and examining the organizational factors that affect innovative performance in these firms. Using a purposive sampling technique, data were collected from 361 respondents across four food and beverage firms. The results showed that management support significantly contributed to corporate goal achievement through innovativeness (beta =.253), risk-taking (beta =.149), and proactiveness (beta =.178). Additionally, management support for innovation (beta =.358), tolerance for risk-taking (beta =.149), performance-based reward systems (beta =.382), allocation of free time (beta =.284), and work discretion (beta =.329) positively influenced innovative performance. The study recommended that management should focus on employee empowerment, flexible organizational policies, risk-taking initiatives, and appropriate reward systems, while ensuring resources are available to support new ideas. However, since the study was conducted in the food and beverage sector, the findings may not be generalizable to manufacturing firms in South-East Nigeria.

Chukwudifu (2022) examined the relationship between Intrapreneurial Orientation (IO) and Business performance (BP) of quoted Industrial Goods Manufacturing Companies in Nigeria. Innovation, proactiveness and risk taking were adopted as dimensions for Intrapreneurial Orientation, while financial performance, market performance and operational performance were measure for Business performance. The study concluded that intrapreneural orientation helps organizations generate new business growth and organizations that have embraced intrapreneurship, will achieve higher financial returns, increased productivity, more innovation and higher levels of employee engagement. The study recommends that managers in listed manufacturing companies in Nigeria should periodically introduce new products and new services to improve the financial performance of the company. This can be achieved by introducing new machines, new methods or processes for an efficient and improved productivity to enhance better performance. However, the study findings and methodology were not clearly stated as such it will be interpreted based on diverse opinion and may not apply to manufacturing firms in South East Nigeria.

Shamsuddin et al. (2012) analysed the effect of corporate entrepreneurship (intrapreneurship) dimensions on the financial performance of intrapreneurship companies of established Malaysian state government-linked corporation namely, Jcorp Group, a Johor state government-linked corporation. Four dimensions of intrapreneurship being were examined; (1) pro-activeness, (2) risk-taking, (3)

innovations and (4) self-renewal. In addition, the paper also explores the moderating effects of resource availability, supportive organizational structure, and rewards on the relationship between corporate entrepreneurship dimensions and company performance. The findings of the study show that pro-activeness has a positive and significant impact on financial performance of the company, and resource availability, supportive organizational structure and rewards do moderate the relationship between pro-activeness and financial performance. In contrast, the study also found that risk-taking does not have a direct effect on financial performance of the company. However, resource availability, supportive organizational structure and rewards are shown to moderate the relationship between risk-taking and financial performance. Meanwhile, for innovation and self-renewal, the found that both are negatively related to financial performance. Further analysis shows that although all moderating factors were positively related with these two corporate entrepreneurship dimensions, but they are not significant. However, this study was carried out in a different context in Malaysia, the study findings may not apply to manufacturing firms in South East Nigeria.

Corporate Entrepreneurship Theory

Corporate Entrepreneurship Theory, developed by Guth and Ginsberg (1990), explores the entrepreneurial processes within established organizations that drive innovation, strategic renewal, and venturing. The theory posits that corporate entrepreneurship involves two primary dimensions: internal innovation aimed at improving existing processes, products, or services, and external innovation through new business creation or partnerships. Guth and Ginsberg argued that intrapreneurial activities arise when firms actively support innovation by providing resources, fostering a risk-tolerant culture, and incentivizing creativity. This theory underscores the critical role of management in facilitating entrepreneurship within corporations, highlighting that intrapreneurship does not happen organically but requires deliberate organizational strategies and structures to thrive. Corporate Entrepreneurship Theory has been widely used to explain how organizations can achieve sustainable growth and adaptability in competitive markets.

Authors, such as Zahra (1993) and Ireland et al (2009), have emphasized its practical applicability in fostering innovation and improving competitive positioning. Zahra noted that firms engaging in corporate entrepreneurship often gain strategic renewal, allowing them to exploit emerging opportunities and address market shifts. Ireland et al. argued that the theory provides a robust framework for aligning organizational culture and strategy with innovation goals. However, critics like Burgelman (1983) have pointed out the challenges in operationalizing corporate entrepreneurship, particularly in bureaucratic organizations with rigid structures and resistance to change. Additionally, Dess et al. (2003) argued that the theory overemphasizes the role of top management, potentially neglecting the bottom-up contributions from employees at various levels. Despite these critiques, Corporate Entrepreneurship Theory remains a foundational framework in understanding intrapreneurial behavior, emphasizing the significance of fostering innovation as a strategic priority.

Corporate Entrepreneurship Theory is particularly relevant to manufacturing firms in South-East Nigeria, as it provides a framework for addressing the unique challenges these firms face, such as resource constraints, market volatility, and competition from imported goods. By adopting intrapreneurial practices, such as fostering innovation, promoting risk-taking, and supporting proactive strategies, these firms can enhance their operational efficiency and competitiveness. For instance, strategic renewal through the adoption of advanced manufacturing technologies or the development of new product lines aligns with the theory's emphasis on internal innovation. Furthermore, creating an organizational culture that rewards creative problem-solving and facilitates collaboration can help these firms adapt to fluctuating market demands. The theory's principles also encourage leveraging available resources to explore new business opportunities, which is critical for the growth and sustainability of manufacturing firms in the region. However, implementing these practices requires overcoming structural and cultural barriers, such as hierarchical decision-making and limited access to capital, which are prevalent in the context of South-East Nigeria.

METHODOLOGY

The study employed a survey design, utilizing structured questionnaires for the collection of essential data. The structured questionnaire aims to streamline responses, facilitating ease of analysis. The study population comprised all staff members employed by the ten selected manufacturing companies in South-East Nigeria. The manufacturing companies selected are those that have more than 70 staff and above and have been in operation for more than five years. The total number of staff of the selected manufacturing companies is 1000 employees, as confirmed by data obtained from the human resources departments of the respective manufacturing companies as shown in table1. The purposive sampling technique was adopted because the intention is to gain an insight into the effect of intrapreneurship on the performance of manufacturing companies in South East Nigeria, hence the need to choose personnel who are well versed in the industry. The manufacturing firms selected are those that have been in operations for than five years. The Taro Yamane formula was used to determine the study sample size as follows:

$$n = \frac{N}{1 + N(e)^2}$$

$$n = \frac{1000}{1+1000(0.05)^2}$$

$$n = \frac{1000}{1+1000(0.0025)}$$

$$n = \frac{1000}{1+2.245}$$

$$n = \frac{1000}{3.245}$$

$$n = 308$$

The study's sample size is 308, however it was increased by 30% as advice by Israel (2013) to 400 to ensure a minimum return of 308 copies of the questionnaire. Thus 400 copies of questionnaire were be shared to the sampled employees of the selected manufacturing companies in South-East Nigeria as shown in table 1. The study variable was measure using ordinal scale relying on the questions adapted from the work of Chhabra and Mehrotra (2021), Engel (1970), Oni et al (2019) and modify to suit the present study.

Table 1: Population and Sample Size Distribution

State	Name of Company	Popula-tion	Sample Size	Copies of return questionnaire
Abia State	Total Aluminium Systems	121	121 *400/1000= 48	42
	Paul Grace Manufacturing Company	107	107 *400/1000= 43	41
Anambra State	Sylflora Industries Ltd	89	89 *400/1000= 36	36
	Delendu Aluminum Manufacturing Company Limited	103	103 *400/1000= 41	39
Ebonyi State	Izugod Allied Company	112	112 *400/1000= 45	42
	Ronet Industries Ltd	93	93 *400/1000= 37	37
Enugu State	Elchee Industries Nigeria Limited	87	87 *400/1000= 35	32
	Bons Industries Limited	79	79 *400/1000= 32	29

Imo State	Ariboil Company Limited	131	131 *400/1000= 52	50
	Gowiz International Company	78	78 *400/1000= 31	27
	Total	**1000**	**400**	**375**

Source: Researcher's Computation, 2025

Data were coded and analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) to assess both the measurement and structural models. The model of study is specified below: -

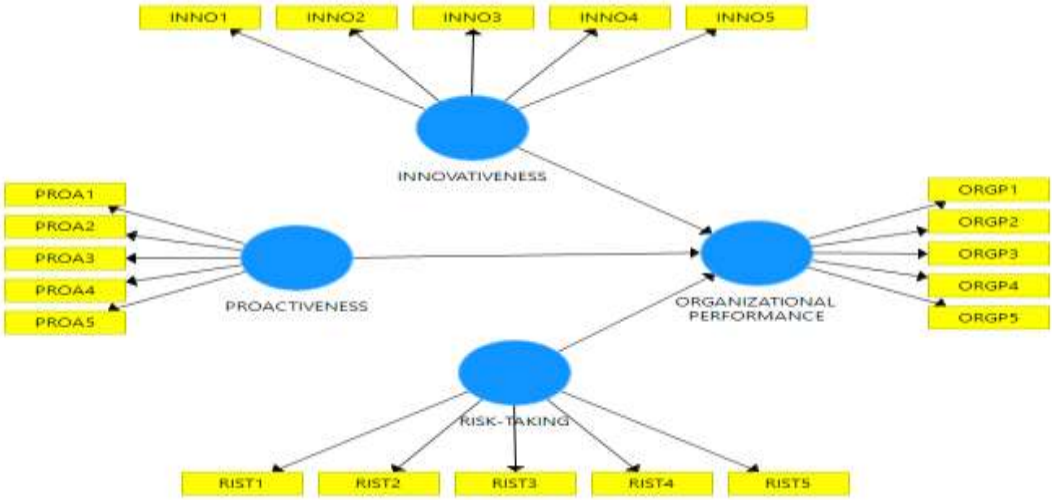

Figure 1: Study Model

RESULT AND DISCUSSION

The study distributed 400 copies of questionnaire to the selected manufacturing firms in South-East Nigeria, with 375 correctly filled and returned as shown in table 1, yielding a response rate of 93%. To ensure data integrity, a preliminary assessment were conducted to detect potential issues such as missing values, outliers, or biased responses. The analysis confirmed the absence of missing data, outliers, or biased responses, ensuring the reliability of the collected information.

The Measurement Model

Evaluating the outer loadings of study items is crucial for assessing a measurement model, as these loadings reflect the strength of the relationship between each item and its associated construct. Hair et al. (2017) suggest that loadings exceeding 0.70 are typically considered acceptable, as they indicate that more than 50% of the variance in the indicator is explained by the construct. This threshold is important because it ensures that the construct significantly influences the indicator, contributing to a reliable measurement of the items. Loadings above 0.70 demonstrate a strong connection between the items and their underlying constructs, thereby increasing confidence in the measurement model's accuracy and validity.

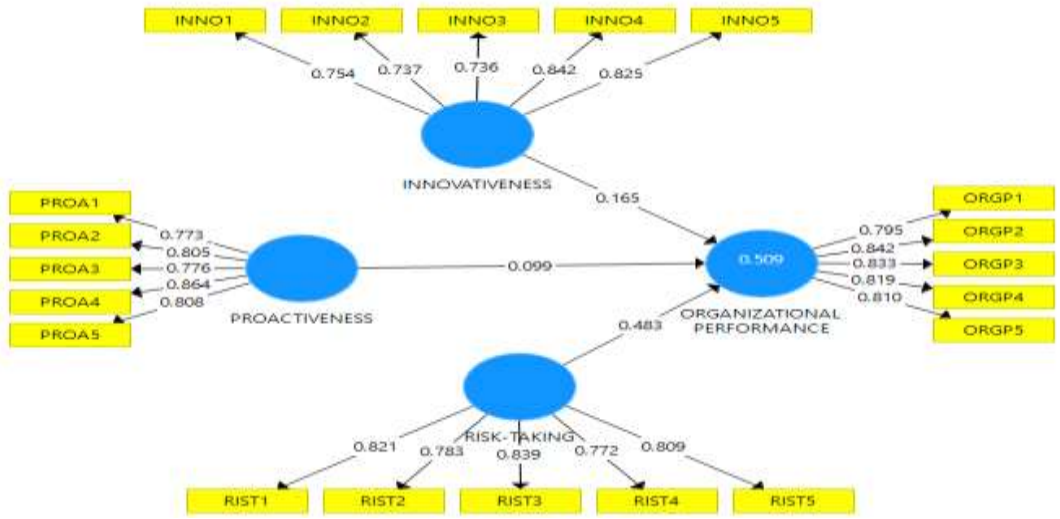

Figure 2: Indicator outer loading

Table 2; Reliability of the Study Scale

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Innovativeness	**0.838**	**0.846**	**0.886**	**0.609**
Organizational Performance	**0.878**	**0.883**	**0.911**	**0.672**
Proactiveness	**0.865**	**0.868**	**0.903**	**0.650**
Risk-Taking	**0.864**	**0.867**	**0.902**	**0.649**

Source : Smart PLS Output 2025

The study evaluated internal consistency using composite reliability measures, all of which exceeded the recommended threshold of 0.70, as shown in Table 2, confirming strong consistency within the constructs. Additionally, Cronbach's alpha values surpassed the minimum accepted criterion of 0.70, as advocated by Hair et al. (2017), further reinforcing the robustness of the study's measures' reliability. Convergent validity was assessed through the average variance extracted (AVE), with all variables displaying values higher than 0.50. This indicates that each construct accounted for at least 50% of the variance in the study items, demonstrating satisfactory convergent validity.

Table 3: Heterotrait-Monotrait Ratio (HTMT)

	Innovativeness	Organizational Performance	Proactiveness	Risk-Taking
Innovativeness				
Organizational Performance	**0.738**			
Proactiveness	**0.745**	**0.745**		
Risk-Taking	**0.521**	**0.799**	**0.663**	

Source: Smart PLS Output 2025

Table 3 presents the Heterotrait-Monotrait Ratio (HTMT) values among four constructs: Innovativeness, Organizational Performance, Proactiveness, and Risk-Taking. HTMT is a metric used to evaluate discriminant validity in structural equation modeling, where values below 0.85 suggest acceptable discriminant validity. Here, the HTMT values between Innovativeness and the other constructs range from 0.521 to 0.745, indicating sufficient distinctiveness. Similarly, Organizational Performance shows HTMT values of 0.738 with Innovativeness, 0.745 with Proactiveness, and 0.799

with Risk-Taking, all within acceptable thresholds. Proactiveness demonstrates moderate correlations with Innovativeness (0.745) and Organizational Performance (0.745), while its relationship with Risk-Taking (0.663) remains distinct. Overall, these results suggest that the constructs possess adequate discriminant validity, affirming that they measure distinct but related concepts.

The Structural Model

In assessing the structural model, the standard criteria considered included the path coefficient, t-values, p-values, and the coefficient of determination (R^2). The bootstrapping procedure was conducted using 5000 resamples.

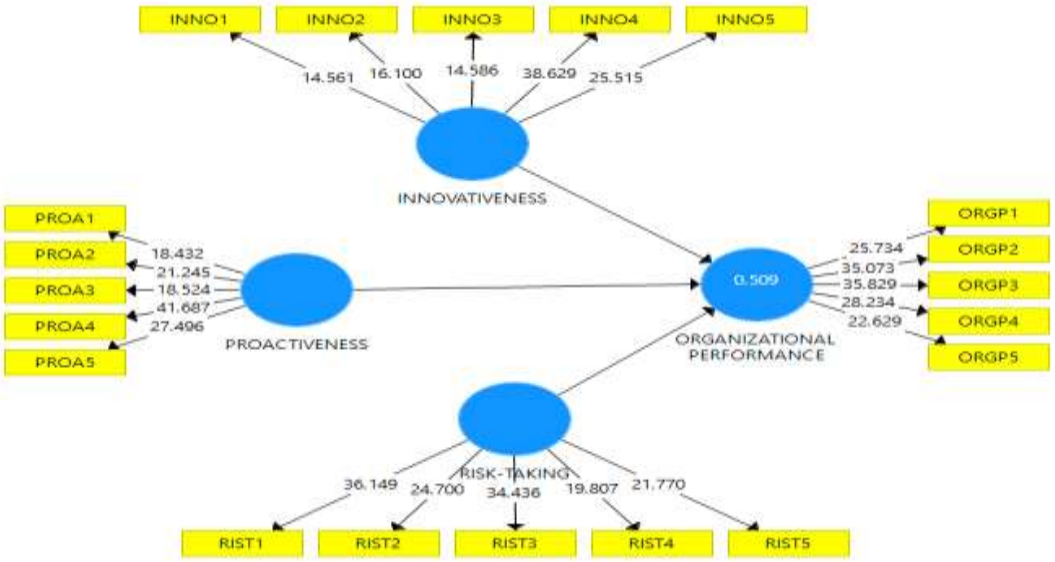

Figure 3: Path Coefficient of the regression model

Table 4: Path Coefficients

	Path Coefficients **(Beta	T Statistics	P Values)	Decision	F2
Innovativeness -> Organizational Performance	0.164	4.802	**0.000**	Rejected	**0.103**
Proactiveness -> Organizational Performance	0.099	2.060	**0.007**	Rejected	**0.097**
Risk-Taking -> Organizational Performance	0.483	1.729	**0.072**	Accepted	**0.075**

Source : Smart PLS Output 2025

Test of Hypotheses

H01: Innovativeness has no significant effect on the performance of manufacturing firms in South-East Nigeria.

The path coefficient for Innovativeness to Organizational Performance is 0.164, with a T-statistic of 4.802 and a P-value of 0.000. Since the P-value is well below the 0.05 significance threshold, the effect is statistically significant. This leads to the rejection of H01, suggesting that Innovativeness positively influences the performance of manufacturing firms in South-East Nigeria. Furthermore, the F^2 value of 0.203 indicates a medium effect size, underscoring the practical importance of Innovativeness in enhancing organizational performance.

H02: Proactiveness has no significant effect on the performance of manufacturing firms in South-East Nigeria.

The path coefficient for Proactiveness to Organizational Performance is 0.099, with a T-statistic of 2.060 and a P-value of 0.007. As the P-value is below 0.05, the effect is statistically significant, leading to the

rejection of H02. This demonstrates that Proactiveness significantly affects Organizational Performance. The F^2 value of 0.107 suggests a small to medium effect size, implying that while Proactiveness has a meaningful impact, its influence is not as strong as that of Innovativeness.

H03: Risk-taking has no significant effect on the performance of manufacturing firms in South-East Nigeria.

The path coefficient for Risk-taking to Organizational Performance is 0.483, with a T-statistic of 1.729 and a P-value of 0.072. In this case, the P-value exceeds the 0.05 threshold, indicating that the effect is not statistically significant. Therefore, H03 is accepted, confirming that Risk-taking does not significantly impact the performance of manufacturing firms. The F^2 value of 0.075 reflects a small effect size, suggesting that Risk-taking contributes minimally to variations in Organizational Performance.

Table 5 R^2 Summary and Predictive Relevance of the Model

	R Square	R Square Adjusted	Q^2=1-SSE/SSO
Organizational Performance	0.509	0.505	0.612

Source: SmartPLS Output 2025

The R^2 value of 0.509 indicates that the model explains 50.9% of the variance in organizational performance, which reflects a moderate level of explanatory power. The adjusted R^2 value of 0.505 shows a slight decrease, accounting for the number of predictors in the model and confirming its robustness. The Q^2 value of 0.612, which is greater than zero, signifies strong predictive relevance, indicating that the model has the ability to predict organizational performance effectively. These results suggest that while the model moderately explains organizational performance, it is highly relevant and reliable for The Study.

Discussion of Findings

The study examined the effect of intrapreneurship on the performance of selected manufacturing firms in South-East Nigeria. finding that Innovativeness significantly influences organizational performance in Southeast Nigeria's manufacturing firms is consistent with several reviewed studies. For instance, Morais et al. (2021) emphasized the dynamic role of innovation in driving competitiveness and growth, which aligns with the current study's rejection of H01. Similarly, Rahaman et al. (2021) identified innovativeness as a significant predictor of SME performance, further supporting the link between innovation and organizational success. However, the findings diverge from Shamsuddin et al. (2012), who observed a negative relationship between innovation and financial performance in Malaysian corporations, suggesting that the influence of Innovativeness may vary across industries and cultural contexts. The medium effect size observed in this study underscores the substantial practical impact of Innovativeness in enhancing manufacturing performance.

The study also demonstrates that Proactiveness significantly affects organizational performance, which is consistent with the findings of Madzikova and Nani (2020) and Rahaman et al. (2021), where proactiveness was positively correlated with growth metrics such as financial and operational performance. Furthermore, Mbaka (2017) identified management support and organizational boundaries as enablers of proactiveness, aligning with the current study's emphasis on its importance. The small to medium effect size reported suggests that while Proactiveness contributes to performance, its impact may not be as robust as Innovativeness. This finding, however, contrasts with Shamsuddin et al. (2012), who found proactiveness to have a stronger positive influence in specific industrial contexts, indicating that the contextual nuances of Southeast Nigeria may moderate its overall effect.

The study's acceptance of H03, indicating that Risk-taking does not significantly influence organizational performance, diverges from much of the reviewed literature. Both Madzikova and Nani (2020) and

Rahaman et al. (2021) found risk-taking to be a significant predictor of organizational growth and performance in their respective contexts, suggesting that manufacturing firms in Southeast Nigeria may perceive or manage risks differently. Additionally, Shamsuddin et al. (2012) highlighted mixed effects of risk-taking, further underscoring the need to consider sectoral and regional factors. The small effect size observed in this study supports the conclusion that risk-taking plays a minimal role in shaping performance outcomes in this context, contrasting with its stronger influence reviewed studies. These discrepancies emphasize the importance of tailoring intrapreneurial strategies to the specific characteristics of the industry and region.

CONCLUSION AND RECOMMENDATIONS

The study concluded that intrapreneuership is critical to performance of manufacturing firms in the South-East region of Nigeria relying on the findings of the study. Based on the findings, the study made the following recommendations

i. Manufacturing firms in South-East Nigeria should prioritize innovativeness as a key driver of performance by investing in R&D, fostering creativity, and creating an environment that supports new ideas. Encouraging collaboration and leveraging advanced technologies will enhance competitiveness and continuous improvement.
ii. Although proactiveness has a smaller effect than innovativeness, it remains crucial. Firms should adopt a forward-thinking approach by anticipating market changes, training employees in strategic decision-making, and fostering adaptability. Building strong relationships with stakeholders will help identify emerging opportunities and threats early.
iii. Since risk-taking did not significantly impact performance, firms should take a cautious approach by focusing on calculated risks. Conducting thorough market analysis, implementing risk mitigation strategies, and ensuring financial stability will support long-term sustainability while minimizing unnecessary exposure to high-risk ventures.

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