

# Corporate entrepreneurship and organizational performance: Is organizational culture a growth accelerator?

Egwakhe, A. J.<sup>1</sup>, Omonijo O. S.<sup>2</sup>, Akande, F. I.<sup>3</sup>, Umukoro, E. J.<sup>4</sup>

<sup>1,2,4</sup>Department of Business Administration and Marketing School of Management Sciences Babcock University

<sup>3</sup>Department of Finance School of Management Sciences Babcock University

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**Abstract:** The study interrogated organizational culture moderating effect on the relationship between corporate entrepreneurship and organizational performance. The polyurethane manufacturing sector was the focus, while the unit of analysis was the managers. The paper used a cross-sectional research design, and a total enumeration technique was adopted for sampling. The developed questionnaire was administered after the instrument's validity and reliability were established. Results of hierarchical regression analysis revealed a statistically significant moderating effect of organizational culture on the relationship between corporate entrepreneurship and organizational performance. This provided a perspective on pump-priming organizational performance through hybridization of organizational culture and corporate entrepreneurship to accelerate growth.

**Keywords:** corporate entrepreneurship, organizational performance, organizational culture.

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## 1. INTRODUCTION

Organizational performance has been conceptualized and debated from different perspectives by scholars, practitioners, academic commentators, and stakeholders based on industry-specifics, firms' outlook, performance categorizations (financial and or non-financial), but and workers' activities. More so, the historical perspectives to the constructs and debate around performance to entrepreneurship revolve within the domain of unique opportunity recognition, exploration, managing, or being the owner-manager of a venture. This restrictive view is directly associated with individuals within opportunity context and their output. Entrepreneurship is context-free and involves corporates and individuals' innovation and creativity. Thus, individual perspective to entrepreneurship construct trivializes corporate identification and exploitation of entrepreneurial opportunities. Hence, entrepreneurs within corporate organizations are not only the economic actors but corporations' brain-box, fundamental intrapreneurs, and creative persons in the business world. Consequently, the characteristics of the entrepreneurs in a corporation determine how the organization creates or identify unique opportunities, exploits, manages the business, and gauges performance. So, the interdependency/relatedness between corporate entrepreneurship and organizational performance is presumed to sustain accelerated growth through organizational culture interface.

Regarding polyurethane manufacturing firms' performance, as the sector for this paper, Urban (2019) stressed that it is not void of corporate entrepreneurship as the sector seeks to exert prominence through its performance in a world of works. As manufacturers, polyurethane firms are capitalists and catalysts for economic growth and development through investments that contribute to the gross domestic product (GDP) of a nation. The depth of their performance is reflective in foreign exchange earnings, increased cash reserves, employment generation, market expansion, and a nation's development as observed by Ikpesu, Vincent, and Dakare (2019). Also, the critical role is evident in Rogerson and Nel (2016) and Ududechinyere, Eze, and Nweke (2018) as key drivers in most national economies. Nevertheless, their

performance dipped in profit and market share (African Development Bank [AfDB], 2020; Central bank of Nigeria [CBN], 2017; Food and Agricultural Organisation (FAO), 2018).

More concerning, a report by Oyelola (2013) revealed that Nigerian polyurethane firms also are declining, as shown in more than 800 manufacturing companies that closed shop in 2009. Statistics of such closures also emerged from a survey conducted by the Manufacturers Association of Nigeria (MAN) that revealed closures of 834 manufacturing companies due to high overhead costs and an unfriendly business environment (Sanni, 2018) as a result of epileptic power supply, and multiple taxes (including public convenience fees, disposal fees for sewage, and refuse), thereby inducing huge cost of doing business. The shutdown further exacerbated the already poor state of unemployment in Nigeria. In terms of company performance, the Manufacturer Association of Nigeria (MAN) Annual Report and Accounts (2002) showed that 60% of all manufacturing companies in Nigeria were suffering, 30% had broken down, and capacity utilization was at an all-time low of 25% (MAN, 2002; CBN, 2010). These low-performance figures have remained in the lower regions. The earlier mentioned challenges observed in the performance of manufacturing firms are attributable or suggestive of poor practices of corporate entrepreneurship.

In light of these submissions, scholars have investigated the linkage between corporate entrepreneurship and the performance of organizations in different geographical contexts and climes (Abou-Moghli & Al-Abdallah, 2018; Al-Jinini, Dahiyat & Bontis, 2019; Kazanjian, Drazin, & Glynn, 2017; Simsek & Heavey 2019). However, none of these studies adopted organizational culture as a moderator between the two variables (Cho & Lee, 2018; Umrani, Kura, & Ahmed, 2018; Wales, Gupta & Shirokova, 2019). Furthermore, the extent to which organizational culture moderates the linkage between corporate entrepreneurship and organizational performance in the polyurethane manufacturing sector of Nigeria is not quite established (Adebayo, Worlu, Mose & Ogunnaike, 2020; Eniola, Olorunleke, Akintimehin, Ojeka, & Oyetunji, 2019). More so, work context culture is relative and heterogeneous as a core distinctive and distinguishing accelerator of performance. It could constitute a valley of death if it creates deficiencies in achieving synergy or alignment of thoughts, attitude, pro-activeness, behaviors, and habits. The poor work cohesion or pro-activeness default in work processes becomes a hindrance to performance hence, decreases the chances of better performance.

The decision to examine organizational culture as a moderator on the relationship between corporate entrepreneurship and business performance was based on the integrative model of Khalid, Ahmed, Tundikbayeva, and Ahmed (2019). Also, Oliver and Montgomery (2016) work lacked convincing empirical evidence to support, sustain, and argue further on the effect of corporate entrepreneurship on organizational performance. In addition, the context-induced inconsistencies and constructs ambiguity in operationalizing and connecting corporate entrepreneurship with organizational performance also fuelled different perspectives on how culture moderates organizational performance. Hence, there is the need to expand the frontiers of knowledge by investigating the moderating role of organizational culture on the interaction between corporate entrepreneurship and business performance. Thus, the hypothesis is stated as:

H<sub>0</sub>: Organizational culture has no significant moderating effect on the relationship between corporate entrepreneurship and organizational performance in polyurethane manufacturing sector in Lagos State Nigeria.

## **2. LITERATURE REVIEW**

### ***Corporate Entrepreneurship***

COVID 19, the turbulent world, and customers' heterogeneity have created strategic and operational hurdles for modern business organizations. These challenges make it imperative for executives to anticipate, design, and implement strategies for corporate entrepreneurship engagements. As such, corporate entrepreneurship constitutes a pathway to higher organizational performance. Conceptually, scholars defined corporate entrepreneurship as the development and pursuit of new business ideas and opportunities within an established organization (Kuratko, 2017; Morris, Kuratko, & Covin, 2008). A perspective from Morris et al. (2008) categorized corporate entrepreneurship into two: corporate venturing and strategic entrepreneurship. Corporate venturing involves the creation of new businesses within established companies while strategic entrepreneurship encompasses the renewal of activities that enhances a company's ability to compete and take risks, which may or may not involve the addition of new businesses (Morris et al., 2008). The denominator from the definitions involves activities and processes that describe internal intrapreneurs or corporate venturing (Kuratko et al., 2015; Morris et al., 2008). Although divergence exists and the non-universal conceptual framework in defining the construct, this paper defines it as the futuristic creation of a new product, portfolios, renewal of systems, and processes within an organization.

### ***Organizational Performance***

Organizational performance is among the first concept to draw attention from different perspectives concerning its definition and usage as a measurement of output. The field of accounting equates it with numerical appearance, especially as it relates to growth, size, success, and going-concern. Although firms are a collection of departments, the synergy in the output of the departments constitutes performance. The perspective of Kaplan and Norton (1992; 2001) provides four measurement parameters of performance. While this approach is robust, a variance of thoughts exists among scholars such as Simon (2000) on control system, William (2010) along causal-chain, Armstrong (2016) and Robins (2007) behavioral and attitudinal metrics, financial, growth and size (Adeoye et al., 2019). While these perspectives are broad and dependable, some caveat exists along (i) approximately unequal size and different measurement styles by firms; and (ii) performance measurement can be relative and at times perfectly independent from each other. As such, organizational performance was defined within this work as output at a categorical time/year. One observation emerging from the literature reviewed is that organizational performance can be measured in several ways, although the approach used wherein is output.

### ***Organisational Culture***

Organizational culture is about value system, trust, and beliefs developed, that guide the behavior of organizations' members (Felin & Powell, 2018). This position was previously echoed by Schein (1992), that it is the archetype accepted institutionally to determine the act/conduct, adoption ability, and taught to member as correct way of assessing, thinking, feeling, and solving problems at hand. As such, Robbins (2007) defines it as shared perception or beliefs by organizational members. Felin and Powell (2018) see it as a value system that affects how work is done and Schein (1992) as values guiding members' behaviors. Thus, while corporate entrepreneurship constitutes a pathway to investment, organizational culture on the other hand is the software that sustains investments and improve the performance of the venture. The performance sustenance assumption is a by-product of the entrepreneur's entrenched culture of innovativeness, pro-activeness, and risk-taking as documented by Wei-Loon (2016). Organizational culture hence looks at the pro-active nature of intrapreneurs and or the organizations as they seek innovations by investing despite the high risk (Cho & Lee, 2018).

### **Corporate entrepreneurship, performance and organisational culture**

Previous works have been conducted on the variables though more in other sectors. For instance, studies by Mustafa, Hernandez, Mahon, and Chee (2016) revealed that university students' organizational culture was positive towards enterprise creation and students' entrepreneurial intention was positively affected by their quality of pro-activeness and innovativeness. Peng, Michael Song, and Xiaofeng (2015) established that faster innovation speed leads to superior performance; the empirical evidence challenges traditional views. In line with previous studies, Loon (2016) demonstrated that among university students, organizational culture encourages students to start their businesses. Joo (2018) added that inventive progressiveness affected non-financial business success among the sub-factors of organizational culture. Furthermore, risk-taking inclination had little effect on financial and non-financial business performance. Similarly, there was no link between entrepreneurship education and organizational culture on business performance. Building on other studies, Cho and Lee (2018) found that innovative progressiveness affected non-financial business performance among the sub-factors of organizational culture. Also, risk-taking propensity did not influence both financial and non-financial business performance.

Considering past studies within different contexts, studies within Nigeria on the polyurethane manufacturing sector have not examined how organizational culture moderates the relationship between corporate entrepreneurship and organizational performance. The study of Ogbeibu, Senadjki, and Gaskin (2018) indicated that top management leaders' benevolence and adhocracy organizational culture had positive and significant effects on employee creativity. The Hummer (2016) and Robin (2007) approach to organizational culture offered a Western perspective but not within the polyurethane which was built on human socialization and organizational identity to performance outlook. Looking at the divergence in findings, Rezaei, Allameh, and Ansari (2018) found that adhocracy culture and clan culture had positive effect on organizational learning, and market culture, but hierarchy culture had a negative effect on organizational learning. Similarly, Arifin (2015) indicated that competence and organizational culture affected positively and insignificantly teachers' job satisfaction.

Despite countless examinations into the direct relationship between improvisations and performance, the results are inconsistent. Some researchers, such as Ozemoyah (2016), revealed a substantial direct association between satisfied outcome success and performance, found no such association. However, with the use of a moderating variable, research has been able to show a link between performance and a moderating variable (Do, Huang, & Do, 2018). Organizational culture (OC) is critical in explaining how and why things happen in a company; in fact, organizational culture is the company’s personality. A study had linked OC to organizational performance (Do et al., 2018). In reality, the consequences of individual behavior, which is the consequence of cumulative experience and adaptability to the environment, have been linked to the impact of corporate culture on performance.

### 3. METHODOLOGY

The cross-sectional survey research design was utilized. A structured questionnaire was used to collect data from organizations’ lower, middle, and senior-level managers as the unit of analysis. Managers’ self-reported measures on the questionnaire scale gave valid information. Six (6) polyurethane manufacturing companies in Lagos State were targeted because these organizations had the highest financial position in the sector, and their head offices are in Lagos State. A total of 327 managers were sampled, and total enumeration was used as previously utilized by Tijani and Akinlabi (2020) and Nwangwu, Ozigbo, Ngige, and Ugwu (2020). The questionnaire was developed from previous works on corporate entrepreneurship, as widely recognized as a firm-level phenomenon, and dimensionalized as evident in Wiklund and Shepherd (2005), creativity (Simsek, 2007), and risk-taking, pro-activeness, venturing (Orobia, Tusiime, Mwesigwa, & Ssekiziyivu, 2020).

In addressing organisational performance, Adeoye et al. (2019) used competitive advantage, revenue growth, firms’ profitability, and organizational effectiveness previously used by Onanuga, Oshinloye, and Onanuga (2014) and Olayinka (2015). The moderator was harnessed from the works of Adeola and Adebisi (2016) and Ibrahim and Primiana (2015). The response scale of the instrument ranged from six (6) being the highest to one (1) being the lowest on a 6-point Likert type scale. The pattern of the response included very high (VH), high (H), moderately high (MH), moderately low (ML), low (L), and very low (VL). The questionnaire was subjected to a pilot test to validate and establish the reliability of the instrument. As such, the content and criterion validity were established. Also, exploratory factor analysis (factor loadings of these items) was conducted to determine the construct validity along average variance extracted (AVE), Kaiser-Meyer-Olkin (KMO), and Bartlett values. The table below shows the result.

**TABLE 1: VALIDITY AND RELIABILITY TEST RESULTS**

| S/N | Variables                  | No. of Items | KMO   | Bartlett’s test of sphericity | Sig  | AVE   | CAC   | Remark   |
|-----|----------------------------|--------------|-------|-------------------------------|------|-------|-------|----------|
| 1   | Corporate Entrepreneurship | 20           | 0.760 | 93.77                         | 0.00 | 0.676 | 0.837 | Accepted |
| 2   | Organisational Performance | 20           | 0.830 | 120.89                        | 0.00 | 0.68  | 0.891 | Accepted |
| 3   | Organisational Culture     | 5            | 0.751 | 36.988                        | 0.00 | 0.513 | 0.751 | Accepted |

**Source: Researcher’s Pilot Study (2022)**

Table 1 reveals the result of the construct validity of the questionnaire. The Bartlett test of Sphericity result at 0.000, less than 5%, indicates a highly significant relationship among variables in measuring the variables under study. Also, from the table, the Kaiser-Meyer-Olkin (KMO) shows values higher than 0.5, implying that the instrument items measure what was intended or expected. Kaiser (1974) advocated that researchers should accommodate KMO values greater than 0.5, and accepting values higher than 0.5 has become a rule in research. The reliability results as calculated indicated that the Cronbach alpha coefficient was close to 1, indicating higher internal consistency reliability. The managers were requested to fill out the survey instrument as they are more aware or informed of their organizations’ corporate activities, performance, and culture. Three hundred and seventy (370) hard copies of the questionnaire were administered, but two hundred and eighty-one (281) copies of the questionnaire were retrieved and used with a response rate of 76%.

**Model specification**

The variables in this study are corporate entrepreneurship, organizational performance and organisational culture. The description below is a functional summary of the research hypothesis to be tested:

$$Y = f(X)^a$$

Where: Y =Dependent variable: Organisational performance

X =Independent variable: Corporate entrepreneurship

i.e: Organisational performance = f(Corporate entrepreneurship).

Z = Moderating variable: Organizational culture

Functional relationships and regression equations:

$$Y = \alpha_0 + \beta_1 X_i + \beta_2 Z_i + \beta_{iZ} X*Z + \mu_i \dots\dots\dots \text{(eq. i)}$$

Where

$\beta_1$  constitutes the coefficient connecting the independent variable (X) to the outcome (Y), when the moderator (Z) = 0,  $\beta_2$  is the coefficient relating the moderator (Z), to the outcome, when X = 0,  $\alpha_0$  is the intercept in the equation, and  $\mu_i$  is the residual in the equation. Hypothesis was tested at 95% confidence interval using moderated (hierarchical) multiple regression analysis. The *apriori* expectation was anchored on a positive and significant moderating effect of organizational culture on the relationship between corporate entrepreneurship and organisational performance. The paper adhered to ethics of research; anonymity and confidentiality during the data gathering process, respondents’ right to discontinue participating in the study, and non-falsification/manipulation of data. Also, extant scholars’ works were duly referenced and acknowledged where used.

**4. DATA ANALYSIS, RESULTS PRESENTATION, AND DISCUSSIONS**

The data for corporate entrepreneurship, organisational performance, and organizational culture were collated by adding responses of all the question items for each variable. The distributed 370 hard copies yielded 281 retrieved copies of the distributed questionnaire as duly filled, returned and were analysed. Thus, represents a response rate of 76% of the population and was considered adequate.

**TABLE 2.1 MODEL 1 SUMMARY**

| Model | R                  | R Square | Adjusted Square | Change Statistics           |              |          |     |     |               |
|-------|--------------------|----------|-----------------|-----------------------------|--------------|----------|-----|-----|---------------|
|       |                    |          |                 | RStd. Error of the Estimate | $R^2 \Delta$ | F Change | df1 | df2 | Sig. F Change |
| 1     | 0.584 <sup>a</sup> | 0.341    | 0.339           | 0.64349                     | 0.341        | 144.292  | 1   | 279 | 0.000         |
| 2     | 0.767 <sup>b</sup> | 0.588    | 0.585           | 0.50958                     | 0.247        | 166.899  | 1   | 278 | 0.000         |
| 3     | 0.782 <sup>c</sup> | 0.612    | 0.607           | 0.49569                     | 0.024        | 16.802   | 1   | 277 | 0.000         |

- a. Predictors: (Constant), Corporate entrepreneurship
- b. Predictors: (Constant), Corporate entrepreneurship, Organizational culture
- c. Predictors: (Constant), Corporate entrepreneurship, Organizational culture, X\*Z

Corporate entrepreneurship was first incorporated into the equation and regressed against the organizational performance of selected manufacturing firms. The findings in Table 2.1 showed the result of hierarchical regression analysis for Model 1 with corporate entrepreneurship and organisational performance variables as ( $R = 0.584, R^2 = 0.341, \text{Adjusted } R^2 = 0.339, p = 0.001$ ). The results indicate that corporate entrepreneurship accounts for 33.9% of the variability in the organizational performance of selected polyurethane manufacturing companies. Further, Table 2.3 shows the beta

coefficient,  $\beta$  was 0.671,  $p < 0.05$  as seen in Model 3. These results indicate that for every unit increase in corporate entrepreneurship, the organizational performance of selected polyurethane manufacturing companies increased by 0.671. The overall model was also significant ( $F(1,279) = 144.292, p < 0.05$ ), as evident from Table 2.1 above.

**TABLE 2.2 MODEL 2 (ANOVA)**

| Model |            | Sum of Squares | Df  | Mean Square | F       | Sig.               |
|-------|------------|----------------|-----|-------------|---------|--------------------|
| 1     | Regression | 59.749         | 1   | 59.749      | 144.292 | 0.000 <sup>b</sup> |
|       | Residual   | 115.529        | 279 | 0.414       |         |                    |
|       | Total      | 175.278        | 280 |             |         |                    |
| 2     | Regression | 103.088        | 2   | 51.544      | 198.495 | 0.000 <sup>c</sup> |
|       | Residual   | 72.190         | 278 | 0.260       |         |                    |
|       | Total      | 175.278        | 280 |             |         |                    |
| 3     | Regression | 107.217        | 3   | 35.739      | 145.453 | 0.000 <sup>d</sup> |
|       | Residual   | 68.061         | 277 | 0.246       |         |                    |
|       | Total      | 175.278        | 280 |             |         |                    |

a. Dependent Variable: Organisational performance

b. Predictors: (Constant), Corporate entrepreneurship

c. Predictors: (Constant), Corporate entrepreneurship, Organizational culture

d. Predictors: (Constant), Corporate entrepreneurship, Organizational culture, X\*Z

**TABLE 2.3 MODEL 3 (COEFFICIENTS<sup>A</sup>)**

| Model |                            | Unstandardized Coefficients |            | Standardized Coefficients |        |       |
|-------|----------------------------|-----------------------------|------------|---------------------------|--------|-------|
|       |                            | B                           | Std. Error | Beta                      | T      | Sig.  |
| 1     | (Constant)                 | 0.988                       | 0.224      |                           | 4.404  | 0.000 |
|       | Corporate Entrepreneurship | 0.671                       | 0.056      | 0.584                     | 12.012 | 0.000 |
| 2     | (Constant)                 | 0.464                       | 0.182      |                           | 2.543  | 0.012 |
|       | Corporate Entrepreneurship | 0.265                       | 0.054      | 0.231                     | 4.890  | 0.000 |
|       | Organizational culture     | 0.510                       | 0.040      | 0.610                     | 12.919 | 0.000 |
| 3     | (Constant)                 | 3.236                       | 0.699      |                           | 4.628  | 0.000 |
|       | Corporate Entrepreneurship | -0.419                      | 0.175      | -0.365                    | -2.394 | 0.017 |
|       | Organizational culture     | -0.223                      | 0.183      | -0.266                    | -1.218 | 0.224 |
|       | X*Z                        | 0.177                       | 0.043      | 1.323                     | 4.099  | 0.000 |

a. Dependent variable: Organisational Performance

With the introduction of the moderator (organisational culture) in Model 2, Table 2.1, significantly improves the effect of corporate entrepreneurship on organisational performance of selected polyurethane manufacturing companies in Lagos ( $R = 0.767, R^2 = 0.588, \text{Adjusted } R^2 = 0.585, p = 0.000 < 0.05, \Delta R^2 = 0.247$ ). The results revealed that corporate entrepreneurship and organizational culture explained about 58.5% of the variation in organizational performance of selected polyurethane manufacturing companies, as against 33.9% changes when only corporate entrepreneurship was regressed against organizational performance. The  $F$  value was statistically significant ( $F(2,278) = 198.495, p < 0.05$ ), and the influence of the independent variable and the moderator (organizational culture) was significant in the model, as seen from Table 2.1. Further, Table 2.3 shows the beta coefficients of corporate entrepreneurship ( $\beta = 0.265, p < 0.05$ ) and organizational culture ( $\beta = 0.510, p < 0.05$ ); this implies that for every unit increase in corporate entrepreneurship and organizational culture, the organizational performance of the selected polyurethane manufacturing companies increases by 0.265 and 0.510 respectively

Model 3 of the hierarchical regression analysis showed how the moderator (organizational culture) affected the relationship between corporate entrepreneurship and organizational performance of selected enterprises polyurethane manufacturing companies. The results in Table 2.3 show values of coefficient of multiple correlations,  $R = 0.782$ , and a coefficient of determination  $R^2 = 0.612$  when corporate entrepreneurship and organizational performance was moderated by organizational culture, with an improvement against an  $r$  value of 0.768, and an  $R^2$  of 0.588. The coefficient of multiple correlations (0.782) reveals that a strong relationship exists between the independent variable, the moderating variable, and the dependent variable. Furthermore, the coefficient of determination indicates that about 61.2% variance in organizational performance is jointly explained by the corporate entrepreneurship, organizational culture, and the interaction term (corporate entrepreneurship component\*organizational culture), and the other factors not considered by this study contributed the remaining 38.8%.

Model 3 in Table 2.1 also shows the changes that occurred when the interaction term was introduced into the regression model (corporate entrepreneurship, organizational culture, and the interaction term). The results revealed that the  $R^2$  change increased by 0.024 from 0.588 to 0.612 ( $\Delta R^2 = 0.024$ ) when interaction variable (corporate entrepreneurship\*organisational cultures) was added. The change was statistically significant at  $p=0.000$  ( $p$ -value<0.05). The results further showed a statistically significant relationship between corporate entrepreneurship, organizational cultures, and the interaction term ( $F(3, 277) = 145.453, p<.05$ ). Table 2.1 reveals the  $F$  statistics changed from 198.495 to 145.453 ( $F \Delta = 16.802$ ), showing a decrease when the interaction term was added. The  $F$  ratio shows that the regression of corporate entrepreneurship and organizational culture, the organizational performance of the selected polyurethane manufacturing companies was statistically significant.

Model 1 results in Table 2.1 showed statistically significant regression coefficients for corporate entrepreneurship ( $\beta = 0.671, p<0.05$ ), indicating a linear dependence between corporate entrepreneurship and organizational performance. In Model 2, corporate entrepreneurship and organisational culture was statistically significant [corporate entrepreneurship ( $\beta = 0.265, p<0.05$ ) and organisational culture ( $\beta = 0.510, p<0.05$ )]. In Model 3, corporate entrepreneurship, organisational culture and the interaction effect was still statistically significant [Corporate entrepreneurship component ( $\beta = -0.419, p<0.05$ ); Organisational culture ( $\beta = -0.223, p<0.05$ )]. When the interaction term was introduced, the beta coefficient ( $\beta$ ) was 0.177, meaning that for every unit change in interaction term, organizational performance increases by 0.177. Further, the interaction term showed a negative effect ( $\beta = 0.177, p<0.05$ ) and was statistically significant, suggesting that corporate entrepreneurship and organizational culture had a statistically significant moderating effect on the relationship between corporate entrepreneurship and organizational performance. The confirmed regression equation from the results is stated as follows:

$$OP = 3.236 - 0.419CEC - 0.233OC + 0.177(CEC*OC) \text{ -----Eqn. 3}$$

Where:

OP = Organisational Performance

CE = Corporate Entrepreneurship

OC = Organisational Culture

CE\*OC = The interaction of corporate entrepreneurship and organisational culture

The results indicate that organizational culture statistically significantly affected the relationship between corporate entrepreneurship and organizational performance. Based on these findings, the study states that organizational culture significantly moderated the relationship between corporate entrepreneurship and organizational performance of the selected polyurethane manufacturing companies in Lagos, Nigeria.

## 5. DISCUSSION

The hypothesis as tested was to establish and deepen knowledge on the moderating effect of organizational culture on the relationship between corporate entrepreneurship and organizational performance. The results revealed that organizational culture significantly moderated the interactions between corporate entrepreneurship and organizational performance of the selected polyurethane manufacturing companies in Lagos, Nigeria. Although, various dimensions of organizational culture have been found to have divergent results, applying organizational culture as moderator impacted performance. The findings support the position that organizational culture as an integral part of any organization affects human behavior, business activities, and performance (Covin & Slevin, 1991; Joo, 2018; Peng et al., 2015). Also, previous works

applying different dimensions of organizational culture found that top management leaders' benevolence and adhocracy organizational culture had positive and significant effects on employee performance to be creative (Ogbeibu et al., 2018). Hummer (2016) and Robin (2007) found human socialization and organizational identity as measures of organizational culture to affect performance outlook.

Extant literature shows that entrepreneurial mindset, adaptive/flexible culture, and progressive/innovative cultures are sources of competitive advantage and contribute to improving business performance (Loon, 2016; Nazir & Lone, 2008; Rose, 2008). In discussing similar relationships about capabilities, Otache and Mahmood (2015) argued that for an organization to undertake entrepreneurial activities and improve its performance, it should possess entrepreneurial culture. More so, the cultural connotation requires that a business organization should be creative, innovative, and should not be averse to risk-taking, learning, and adaptive, to transform positively the business performance trajectory. Other scholars argued that organizational culture should support risk-taking, proactiveness, and innovativeness for a business organization to behave entrepreneurially (Covin & Slevin, 1991; Ireland et al., 2006; Mustafa et al., 2016).

## **6. CONCLUSION AND RECOMMENDATION**

In light of the results, it is explicit that organizational culture is an enhancement factor in promoting polyurethane performance in Nigeria and contributes significantly to the improvement in performance. The findings offer theoretical support to the resource-based theory, commitment, and Collins perspective. The empirical implication is that although corporate entrepreneurship will pump-prime performance, the introduction of organizational culture accelerates the performance trajectory. Therefore, making use of organizational culture to improve business performance is important to gaining a competitive advantage and sustaining the organization. Hence, the study recommends that polyurethane manufacturing companies in Lagos State Nigeria should commit their effort to build a culture of commitment, resilience, flexibility, and adaptability into their workforce. Future research should be carried out with a focus on the entrepreneurs and internal politics as moderators. Also, research on intrapreneurs characteristics, strategic improvisation as moderators in the manufacturing sector to firms' survival should be carried out.

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