

The Perceived Effect of Leading Employees in an Entrepreneurial Way in Small and Medium sized Enterprises

Author: Christopher Niels Kellersmann
University of Twente
P.O. Box 217, 7500AE Enschede
The Netherlands
c.n.kellersmann@utwente.nl

Recognizing opportunities can provide competitive advantage in a fast changing environment. The role of leaders has changed over the last decades and has gained more importance within an enterprise. Therefore, leading employees in an entrepreneurial way has become an innovation driver. Defining first the entrepreneurial attitudes and behavior this research continues to test the effect of applying entrepreneurial leadership style. In that sense the research approach is deductive and explanatory. In-depth interviews were conducted and statistical tests were applied. The aim of this research was to test the effect of entrepreneurial leading on the social commitment-, economic- and social-performance. The outcome showed that the relationship between applying entrepreneurial leadership style and believing in a positive effect on employee commitment, economic- and social-performance is significant. Thus, the purpose of the paper was to explore the perceived effect of leading employees in an entrepreneurial way in small and medium size enterprises.

Supervisors: Dr. M.L. Ehrenhard & Dr. R. Harms

Keywords

Attributes; Behavior; Entrepreneurship; Efficient; Success

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1. INTRODUCTION

Due to globalization and the increased competitive pressure organizations are forced to utilize all available resources in the most efficient and effective way. Those resources include employees that have to be trained and developed to become more flexible, innovative and efficient. Entrepreneurial behavior is important because it is an essential feature of high-performing firms (Dess & Lumpkin, 1996). To ensure advantages that result from an entrepreneurial leadership style, it requires entrepreneurial behaviors and attitudes not only being executed by leaders but also by their employees. This advantage holds especially in organizations, where employees have creative and responsible work tasks. Especially western organizations and employees in these countries do not focus anymore on basic manufacturing work tasks but compete rather on their skills covering more responsibilities. Consequently, a manager that incorporates entrepreneurial behaviors to their leadership style might in the end develop employees to execute entrepreneurial behavior as well. This is beneficial because innovative ideas for improvements mostly display in the operative business. Employees detect certain issues or problems during their daily work. Those issues need to be solved in order to increase the wealth and the efficiency of the firm. Leading employees' to act entrepreneurial will most likely result in an increased ability to recognize opportunities and opportunity recognition is positively related to performance (Chandler & Jansen, 1992). This ability can even become a key success factor within a firm (Lumpkin & Lichtenstein, 2005). In most cases the employee is the person, who will discover problems or issues related to the organizations operative business and therefore it is essential to instruct employees entrepreneurial attitudes and behaviors. Whereas management sets goals and introduces processes that need to be followed by the employees, the employees are the ones that translate these processes into activities. Therefore, the chances are higher that employees will recognize drawbacks once processes are in place and might be even able to suggest improvements.

Entrepreneur as well as the derived terms entrepreneurship and entrepreneurial are rather difficult to define due to the many existing definitions given by different authors. The term was established by Schumpeter (1934) who stated that an entrepreneur is able to change products and services through innovation. In this paper an entrepreneur is understood as a manager that strives for and is concerned with 'the discovery, evaluation, and exploitation of future goods and service (...) by (...) the creation or identification of new ends and means previously undetected or unutilized by market participants' (Eckhard and Shane, 2003, p.336). According to Arrow (1962) an entrepreneur is someone who converts technical information into products and services. Additionally, an entrepreneur is able to discover and mitigate economical ineffectiveness (Kirzner, 1997). According to Shane and Venkataraman (2000, p. 218) the field of entrepreneurship 'involves sources of opportunities; the process of discovery, evaluation and exploitation of opportunities; and the set of individuals who discover, evaluate, and exploit opportunities'. Ajzen (1991) stated that a strong relation exists between behavior and attributes. Especially, due to the formalization of work tasks, it could be difficult to lead the employees more in entrepreneurial aspects. On the other hand Burgelman (1983) found that entrepreneurial employees, who are able to recognize an opportunity and have a proper communication channel, discover most innovations. This determines the importance of leaders to create a good employee commitment and social performance. According to Kind and Grace (2008) does good employee commitment leads to an interaction with colleagues, which has a positive effect on the

working environment. In addition, it can be stated that every enterprise is as good as their employees, due to the closeness to the end consumer or the direct contact with suppliers. Therefore the social performance of an organization is build by the structure among actors, trust between actors and shared goals and values between the members (Nahapiet and Ghoshal, 1998). This highlights the importance of employees but also clearly shows the importance of developed employees to survive on the market.

After establishing the relationship between efficient employees and the success of a firm, the paper will focus on the effects of leading employees in an entrepreneurial way. The success of a firm can be measured in multiple ways, as the term success is multifaceted. But it is obvious that organizational success derives from human being activities and performance. Furthermore, does success rely on the expectation of the individual, who is concerned for the performance of the enterprise. This can be the chief executive officer, manager, supplier, employee, government, customer or any other stakeholder. Describing an action as a success requires a comparison between the outcome with the previous expectation.

From a theoretical point of view it is reasonable to assume that leaders have an interest in leading their employees in an entrepreneurial way. This interest is based on the expected positive outcome of the overall firm performance. On the contrary it would be reasonable to assume that leaders that do not believe in the positive effect of an entrepreneurial leadership style do not lead their employees in an entrepreneurial way. A contradiction however would exist if leaders do not lead their employees in an entrepreneurial way but in fact do believe in a positive effect. In this case it is interesting to investigate further which other variables drive leaders to decide for or against an entrepreneurial leadership style. Therefore the aim of the study is to investigate the relationship between executing a leadership style and the perceived effects of this style. Accordingly, the research question is formulated as: To what extent does an entrepreneurial leadership style predict a positive effect on a firm's performance from a leaders' point of view?

In the first step, the concept of entrepreneurial leadership style will be investigated. A scientific literature review will serve to define the most relevant entrepreneurial behaviors and attitudes. After that, the method section will explain how interviews will be used to test the relationship between entrepreneurial leadership style and the perceived effect on performance measures. The results will be then displayed in cross-tables and further information that was collected in the interviews will be taken into consideration to discuss the results. The research concludes with the limitations of this study and suggestions for further research.

2. THEORY

2.1 Behaviors

Besides all prominent literature on entrepreneurial roles, the personality of the individual plays an important role. According to Brandstätter (2011), the basic characteristics will influence the role of an entrepreneur: Emotional stability, like self-determination and independence; Openness to experience, by structuring and developing an organization and also by finding new opportunities. Another important character is the willingness to work hard and being persistent in goal commitment. Extraversion means being able to establish a social network. All those characters are personal individual factors, which create an entrepreneurial way of thinking and behavior. To understand

and analyze the link between entrepreneurial behaviors and the perceived effect on success, it is crucial to establish the main attitudes, factors and behaviors of entrepreneurs. This will be done in the following paragraph.

Before starting with the attitudes towards entrepreneurship, entrepreneurial behaviors will be explored by investigating the Big Five (OCEAN) (Brandstätter, 2011). The Big five are Openness to experience, Conscientiousness, Extraversion, Agreeableness and Neuroticism. In the following part those five characteristics will be explained in more detail.

2.1.1 Openness to experience

John, Naumann and Soto (2008, p. 138) define 'openness to experiences as the breadth, depth, originality and complexity of an individual's mental and experiential life'. Those are drivers of someone's own past, established and influenced by the experiences the individual has made over time. Therefore, previous experience plays a significant role for entrepreneurial behavior and practices. According to Zhaoe, Seibert and Lumpkin (2010) openness is correlated to intention and performance. This is also underpinned by Rauch and Frese (2007), who found a relationship between openness and innovativeness, as openness was found to have a positive effect on business creation and business success. As mentioned in the definition of entrepreneurship, one characteristic is innovativeness and therefore it can be said, that being open to experience will affect the behavior of an entrepreneur and this relies also to the entrepreneurial behaviors of employees. If employees become more experienced in their field over time, they are more likely to act entrepreneurial. However, the drawback of being open to experience automatically increases the risk of failure. Taking too much uncalculated risk can harm the firm existence or lead to a negative cost factor.

2.1.2 Conscientiousness

Conscientiousness is described as a 'socially prescribed impulse control that facilitates task- and goal- directed behavior, such as thinking before acting, delaying gratification, following norms and rules, and planning, organizing, and prioritizing tasks' (John, et. al, 2008, p. 138). Therefore, an entrepreneur that is managing an organization towards growth and establishment on a market has to have a sense of reality and be aware of what the outcome of a certain action will be. This does not only hold for the entrepreneur but also for the employees of an organization. Employees also have to keep in mind, what kind of consequences a certain action will have. Furthermore, is every individual bounded to rules and laws settled by the organization or by the government.

2.1.3 Extraversion

Extraversion is according to Ciavarella, Buchholtz, Riordan, Gatewood and Stokes, (2004, p. 469) 'primarily associated with the quantity and intensity of relationships and, as such, is manifested in sociability, higher energy levels, positives emotionality, and excitement seeking'. Judge, Higgins, Thoresen and Barrick (1999) found out that extraverted people are more likely to take on leadership roles. Additionally, extraverted attitude will most likely intensify the partnership with supplier and customers (Baker, 1994; Barringer & Greening, 1998). Traits of extraversion are sociable, assertive, talkative and active, which play a significant role in entrepreneurial behavior and therefore need to be mentored to employees. Those people like to share ideas and they have the urge to discover the environment and to develop themselves.

2.1.4 Agreeableness

Agreeableness is a 'contrast of a prosocial and communal orientation toward others with antagonism and includes traits

such as altruism, tender mindedness, trust and modesty' (John et al., 2008, p. 138). In addition to that, 'individuals should tend to be courteous, forgiving, and flexible in handling with others' (Ciavarella, et. al, 2004, p. 471). Components are being tolerant, flexible and cooperative. Those behavior aspects are also main drivers of employees, by considering that mostly employees are representing the firm's philosophy and therefore in contact with the potential customer.

2.1.5 Neuroticism

Neuroticism (emotional stability) is according to John, et al. (2008, p.138) the 'emotional stability and even-temperedness with negative emotionality, such as feeling anxious, nervous, sad, and tense'. Traits are calm, self-satisfied, comfortable, unemotional, stable, and effective. Those drivers will most likely lead to a positive performance of the venture. On the contrary, being not optimistic to the result of their efforts, is associated with negative impact on the performance (Vesper, 1990). The members need to feel committed to their working task in order to work effectively. This could be achieved by creating an comfortable working environment. A comfortable working environment could be created for example by offering a daycare facility within the company for the children or by offering a canteen to increase the well-being.

After analyzing the big five characteristics of entrepreneurial behavior, the next paragraph will focus more in depth on entrepreneurial attitudes.

2.2 Entrepreneurial Attitudes

Scientific literature in the field of entrepreneurial attitudes has identified two sets of aspects, namely personal characteristic and psychological background. According to Rausch and Wiklung (2009), three dimensions are important: innovativeness, risk taking and proactiveness. These three will be explored in the following paragraph.

2.2.1 Innovativeness

According to Lumpkin and Dess (1996) innovativeness reflects an enterprise achievement of supporting new ideas, novelty, experimentation, and creative processes that will produce new products, services, or technological processes. Those drivers keep a firm competitive in the market and give them a chance to enhance their business philosophy.

2.2.2 Risk taking

Another essential character of entrepreneurial is the ability to take risks without ruining the business. Wright, Kroll, Krug and Pettus (2007), consider risk taking as the distribution of possible outcomes from a choice. As managers approach risk-taking activities, it is assumed that they recognize both the upside and the downside potential of outcome variance.

2.2.3 Proactiveness

Proactiveness deals with entails of high search, retaliation cost and learning (Bell, 1995). It is concerned with the willingness to learn and to take the challenge to discover opportunities. In addition it is about acting independently and the willingness to take decision. According to Keh, Nguyen, Ng (2007) does proactiveness reflect the willingness to act in expectancy to future demand in order to create and change the environment. The drawback of being too proactive is the cost associated with the time and resources, which will be needed to enter a new market, or attracting new supplier and customers.

On the other hand do Wyk and Boshoff (2004) state that the attitude related to personality traits are cognition and behavior. Hereby it has to be mentioned, that the trait of behavior has been explained in the paragraph above because entrepreneurial behavior is a key term in this study. Furthermore, it has to be

stated, that in this research, behavior is not treated as a trait of attitude, but as an additional field that needs further investigation.

2.2.4 Cognition

Cognition is the representation of historical experiences as opposed to current knowledge of the environment (Kiesler & Sproull, 1982). Furthermore, does cognition deal with reactions of the individual by obtaining, processing and using information about the world (Wickham, 1998). It is also concerned with how the knowledge is being stored, accessed and created in order to make judgments and decision through the proper use of information to conclude an action.

2.3 The effect of leading

Lee and Chuang (2009) stated that the field of leadership is not only to inspire employees to be efficient but also to achieve organizational goals. This determines the importance and the quality of leaders. Leaders are the connection and the most dynamic dimension between individuals (employees) and organizational interaction. Due to the increasing competitive pressure and the fast growing market is it not surprising that leader gain importance within a firm. Mehra, Smith, Dixon and Robertson (2006) stated that organizations seek to be efficient in the long-term, when they focus on the effects of leadership. Effective leadership behavior increases the performance of the organization by accepting the new challenges (McGrath and MacMillan, 2000; Teece, Pisano and Shuen, 1997). Santora, Seaton and Sarros, (1999) stated that the drivers of dynamic markets are innovation-based competition, price/performance, and the decreasing return. Guth and Ginsberg (1990) stated that enterprises focus more on strategic renewal and therefore the importance of innovativeness and global competition increases (Brazeal & Hebert, 1999). This implies that a relationship exists between leadership and organizational performance. As stated before, employees have a big influence on the performance of the enterprises and therefore need to be lead effectively in order to be beneficial for the organization. Fry (2003) discovered that applying leading strategy encourage employees to strive for growth and development. In addition to that does a positive relationship to employees increase not only the service performance but also the organization climate (Kozak and Uca, 2008). This underpins the importance of applying an effective leadership style, because it connects several factors of the organization in order to be successful. A sufficient employee performance, does not just affect positively the total performance of the firm, but it is also dependent on the leadership style. In order to accomplish the goals and strategies of the organization, leaders have to be more flexible in their leadership style. They are aware of dynamic changes of the environment and therefore have to change from the traditional mechanistic approach to a more human based approach of leadership (Brown 2003; Ismail, Zainuddin and Ibrahim 2010). Bennett (2009) states, that an effective leader will force and encourage the employee to take more responsibility. This includes proactive business problem solving and also taking own decisions in order to support the organization and the sub-employees. This finding is also underpinned by Guzzo and Dickson (1996) who stated, that a relationship exist between leadership and team performance. A widely-held belief is that the way leaders supervise their employees can be seen as a result of their general leadership style (DeCoster and Fertakis, 1968). Not only does the leadership style effect the commitment of employees, but it affects the customer as well. Leading employees in an entrepreneurial way will have an effect on customer satisfaction. Employees are more committed to the firm and thus more motivated to their work task, as a result they cooperate better with the customer. However, the goal of an

enterprise is to increase the economic performance and this is achieved by objects like, high profit, quality products, large market shares and surviving in the market (Koonts and Donnell, 1993). Effective leadership is the primarily ground for management development and a key success factor in order to continuously create competitive advantage for the organizational performance (Lado, Boyd and Wright, 1992; Rowe, 2001). So it is not solely the understanding of leadership but it also considers leading the employees' effectively in order to improve firms' performance. The attitudes and behaviors for entrepreneurial leading have been discussed in section 2.1 and 2.2 of the research.

Entrepreneurial leadership can be defined as a 'leadership that creates visionary scenarios that are used to assemble and mobilize a supporting cast of participants who become committed by the vision to the discovery and exploitation of strategic value creation' (Gupta, MacMillan and Surie 2004, p.242). In summary, it is argued that leadership has an affect on the employee commitment, organizational performance and on the social performance of the firm. Researchers like Avolio, Zhu, Koh and Bhatia (2004), Leach (2005) stated that leadership can be related to organizational commitment and also to employee performance (MacKenzie, Podsakoff and Rich, 2001; Vigoda-Gadot 2007). Therefore is it essential to lead employees in an entrepreneurial way to be efficient in the fast growing and changing market.

2.4 Hypotheses derivation

Based on the literature that established a positive effect of entrepreneurial leadership, it is reasonable to assume that leaders would strive to incorporate entrepreneurial behavior to their leadership style. However, many managers in leading positions do not show such a behavior. A possible explanation could be that managers are not convinced of these effects. Therefore, the following hypotheses will be tested:

Hypotheses 1: Leaders leading employees less than half of their time are less likely to believe that an entrepreneurial leadership style has a positive effect on employee commitment.

The hypothesis is a bivariate hypothesis with the independent variable 'entrepreneurial leadership' and the dependent variable 'positive effect on employee commitment'. The following two hypotheses are both bivariate and probabilistic because the effect on the independent variable is maybe or relatively often cause by the dependent variable.

Having a closer look to the literature researchers stated the organizational effectiveness can be achieved by performance and commitment oriented human resource (Becker & Gerhart, 1996; Dyer & Reeves, 1995; Wright, Dunford, & Snell, 2001). As the respondents believe that a correlation exist between entrepreneurial leading and employee commitment they also invest in the relationship of the employees in order to have more motivated people. This is also underpinned by the literature of Huselid, 1995 who states that high performance counts on creating mutual employment relationships in order to have qualified and motivated employees who produce valuable work related outcomes. Researcher like Handelman and Arnold, (1999) observed that there is a relationship between performance drivers and economic performance. For every entrepreneurial leader is the goal to increase the economic performance of the firm. It is obvious that leaders have a big influence on the employees and therefore on the performance of employees. A study by Judge, Piccolo, and Illies (2004) discovered that relationship oriented and task oriented behavior have a strong influence on employees satisfaction and job performance at supervisory level. This represents the effect a

leader has on employees and the meaningfulness of good management behavior and attitudes. Furthermore, it also determines the influence a leader has on the performance of the firm.

Dealing with the economic performance of the firm the second hypothesis investigates the existing relationship to entrepreneurial leadership style.

Hypotheses 2: Leaders leading employees less than half of their time are less likely to believe that an entrepreneurial leadership style has a positive effect on economic performance of the firm. The question concerns the operation success of the firm, which is a part of the main research question. We know already from the literature that drivers, which are related to entrepreneurial attitudes and behavior will affect the performance of the firm. Finally it is also interesting to evaluate if the entrepreneurial leadership style and social performance are correlated in any way. Passion for work and self-esteem are just two examples of affecting the attitudes of employees so a certain leadership style should support those attitudes in relation to create a positive social performance. This includes to be cooperative with other colleagues of the firm. Improving organizational performance can be achieved through cooperation and collaborating, which is the result through sharing values by the employees (Ryan, Schmidt and Johnson, 1996). Literature suggests a relationship between entrepreneurial leadership and the effect on social performance this direction could be drawn also by the answers from the interview. However, theoretically they may be aware of the effect but in practice they do not apply this kind of leadership. This leads to the hypothesis

Hypotheses 3: Leaders leading employees less than half of their time are less likely to believe that an entrepreneurial leadership style has a positive effect on social performance of the firm. This extraordinary outcome raises the question why leaders do not practice in reality the entrepreneurial leadership style even when they do know about the effect. A possible answer could be that they do not believe in the outcome of mentoring the entrepreneurial behavior and attitudes to their employees. In the following section the three hypotheses will be tested by interviews.

The expected relationship are illustrated in the following causal model:

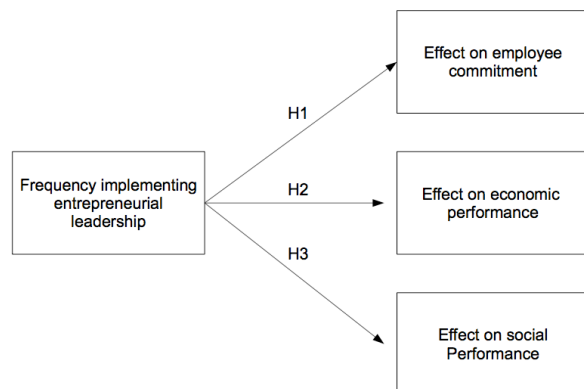


Figure 1: The effect of frequency implementing entrepreneurial leadership on the relationship to effect on commitment-/ economical-/ social-performance

3. METHODS

3.1 Research Design

The formulated hypotheses will be tested by the data obtained from interviews. The interview template will be created in a research group. After all group members have collected and distributed their interview results, this research will concentrate on the answers of four questions. The answers will be analyzed by a coding scheme and several statistical test will be conducted to test the relationship between entrepreneurial leadership style and their perceived effect on employees commitment, economic performance and social performance.

3.2 Sample

The selected interview partners have been not limited to a certain industry or to a specific organization size. Therefore, interview partners could be senior executives, CEOs or owners. But the level of the interviewee is not believed to influence the outcome because business development opportunities take place at lower management level as well as at top executive levels.

The sample consists of 73 interviews. The interviews were conducted by a research group of 15 students. Every researcher conducted 4-7 interviews and shared the outcome of each interview with the group. The respondents were independent of each other. Consequently, each interview represents a different company. As a template was used, all respondents had to answer the same question although all interviewers had the freedom to react with additional individual questions. The freedom to ask additional question does not influence the comparability of the interviews but rather adds quality and in-depth information to this topic.

The age of the respondents was 25 to 64 resulting in an average of Ø 42,4 with 82,19% being male and 17,80% female. All respondents had to fulfill two characteristics. Firstly, the person must have had at least one-year experience in a leader-position and be responsible for at least three direct reports. All collected interviews fulfilled those requirements. The majority of the interviews were held face-to-face. The research group did not limit the interview selection to one specific country. The respondents are widely situated within Europe, mainly from the Netherlands and Germany.

3.3 Framework of the questionnaire

The measurement of the interviews will be done via an open coding scheme, due to the qualitative nature of the interview results. The research group developed the questionnaire based on the study purposes of all researchers. The questionnaire is divided into 4 categories; general information, behavioral patterns of leaders; efficiency and finally results of the behavioral actions. The questionnaire is based on open-ended questions, which leads to a variety of answers but are more precisely than closed ended.

3.4 Measures

To investigate the relationship between entrepreneurial leadership style and their perceived effect four questions from the interviews were identified for further analysis. As the interviews were conducted within a research group, not all questions from the questionnaire are important for this study purpose. The following 4 questions were considered: (1) How often do you lead your employees in an entrepreneurial way (regularly or occasionally)? (2) What is in your opinion the effect of leading your employees in an entrepreneurial way on employee commitment? (3) What is in your opinion the effect of leading your employees in an entrepreneurial way on

economic performance of the firm? (4) What is in your opinion the effect of leading your employees in an entrepreneurial way on the social performance of the firm? Question Number one will always be compared to the other question and is therefore declared as the independent variable. It should clearly determine the relationship between the frequencies of leading in an entrepreneurial way to the assumed effect on that leadership-style. Due to an open answer interview and the resulting variety of answers, it is difficult to put all answers in categories and then compare the outcomes. As the interviews were held in different industries, the answers of the respondent referred to different working processes.

In order to measure the outcome it is indispensable to create a coding system. The questionnaire was based on open-ended questions, which makes the coding schema more complex. For the independent variable the *frequency of application of entrepreneurial leadership style* four ordinary categories have been identified (1-25%; 26-50%; 51-75% and 76%-100%). Those were necessary due to the outcome of the interview. Under the category 1-25% assigned answers were 'never'; 'rarely' and not 'possible'. In the second category answers like 'irregular', 'occasional' were coded. The term 'regular' was considered to refer to 'more than 50%' and was coded as category three. The fourth category referred to applying entrepreneurial leadership to more than 75% of their time and therefore answers like 'always', 'every day' are interpreted to be in the fourth category. Some answers of the respondents indicated already a percentage, which were then directly link to the related category.

Stating that the leadership style has a positive/ negative effect on the employee commitment, economic performance and on the social performance of the firm, it is appropriate to use the same coding schema for all three questions. The variables are ordinary 'Yes'; 'Yes, with exception' and 'No'. Under yes the following phrases were considered: 'effected', 'very useful' important', for Yes, with limitation it has been a bit more difficult, but answers like 'important but'; 'depends on'. For the last category statements like 'No', 'don't think' and also have 'no comparison' have been conduct to coding variable 'No'.

3.5 Analysis

In order to explore the relationship between the two quantitative variables a correlation analysis will be conducted. Following the recommendation by Field (2013), testing whether an association between two variables exists will be done by looking at the covary. A covary exist when one variable (independent) deviates from its mean and the other variable (dependent) deviates in the same direction or in the opposite direction from its mean. If the outcome of the correlation is not sufficient, the use of cross tables will be applied in combination with a T-test. A T-Test is applied to determine if the mean of one sample significantly differs from the mean of another sample. This will involve modifying the coding schema for the answers to the questions 10, 11, 12 into dichotomous categorical variable (Yes and No). The previous code of 'Yes, with limitation' will be categorized to 'No', because respondents' emphasis that another variable is influencing the output. However, investigating these other variables lies not within the scope of this research. So it can be interpreted as 'No'. Additionally, the coding for the frequency of applying entrepreneurial leadership style was changed from four ordinary variables to two dichotomous. 0-25% and 26-50% will be transferred to 'less than half' of the time and 26-75% and 76-100% will be transferred to 'more than half' of the time. Aware

of the fact that no all assumption and condition can be met for a T-test it will be applied and carefully analyzed.

4. RESULTS

Table 1: Summary of social commitment, economic-, social-performance by leader frequency

| Correlations | | | | | |
|---|-----------------------------|---|-------------------------------|--------------------------------|------------------------------|
| | | frequency implementing entrepreneurial Leadership | Effect on employee commitment | Effect on economic performance | Effect on social performance |
| frequency implementing entrepreneurial Leadership | Pearson Correlation | 1 | -.150 | -.073 | -.160 |
| | Sig. (2-tailed) | | .225 | .556 | .196 |
| | N | 67 | 67 | 67 | 67 |
| | Bootstrap ^c | | | | |
| | Bias | 0 | -.001 | -.003 | -.003 |
| | Std. Error | 0 | .117 | .136 | .118 |
| | BCa 95% Confidence Interval | | | | |
| | Lower | . | -.368 | -.373 | -.404 |
| | Upper | . | .088 | .178 | .061 |

The outcome of the analyses with a confidence interval of 95% presents the interval between the upper and the lower boundary. The upper and lower boundary crosses the zero point in every analysis of the dependent variable.

For the first Hypothesis '*Leaders leading employees less than half of their time are less likely to believe that an entrepreneurial leadership style has a positive effect on employee commitment*' the following results have been found:

18,75% respondents who lead their employees less than half of their time believed that entrepreneurial leadership has no effect on employment commitment. Moreover, 13 respondents apply the leadership style less than 50% of their time but do still believed in the positive effect on employee commitment. In the second step a T-test analysis has been applied for leaders who used an entrepreneurial leadership style more than half and less than half of their time. For leaders leading employees more than half of their time in an entrepreneurial way, the outcome is significant for a two tailed test with $p = 0.024$ and degree of freedom = 50 (see Apendix Table 11). For the other group, that applied entrepreneurial leadership style for less than half of their time, the result was ($p < 0.0001$) with alpha 5%. with the degree of freedom being ($n-1$)= 15.

Table 2: Employees commitment by frequency of entrepreneurial leader-style (absolute numbers; percentages)

| Crosstab | | | | | | | |
|-------------------------------|-----|--|---|--------|--------|---------|--------|
| | | | frequency implementing entrepreneurial Leadership | | | | Total |
| | | | 1-25% | 26-50% | 51-75% | 76-100% | |
| Effect on employee commitment | Yes | Count | 7 | 6 | 17 | 29 | 59 |
| | | % within frequency implementing entrepreneurial Leadership | 87,5% | 75,0% | 85,0% | 93,5% | 88,1% |
| | No | Count | 1 | 2 | 3 | 2 | 8 |
| | | % within frequency implementing entrepreneurial Leadership | 12,5% | 25,0% | 15,0% | 6,5% | 11,9% |
| Total | | Count | 8 | 8 | 20 | 31 | 67 |
| | | % within frequency implementing entrepreneurial Leadership | 100,0% | 100,0% | 100,0% | 100,0% | 100,0% |

Table 3: One Sample T-Test; Entrepreneurial Leadership less than half of the time effect on employee commitment

| One-Sample Test | | | | | | |
|---|--------|----|-----------------|-----------------|---|---------|
| Test Value = 3 | | | | | | |
| new frequency <50% Effect on employee commitment | t | df | Sig. (2-tailed) | Mean Difference | 95% Confidence Interval of the Difference | |
| | | | | | Lower | Upper |
| | -8.062 | 15 | .000 | -1.62500 | -2.0546 | -1.1954 |

The second hypotheses theorized that '*leaders who are leading employees less than half of their time are less likely to believe that an entrepreneurial leadership style has a positive effect on*

economic performance of the firm. 10 out of 16 (62,5%) leaders who followed an entrepreneurial leadership style less than half of their time think that it has positive effect. A t-test has been also applied in the second step. Significance was found for the two tailed test with $p=0.004$, alpha 5% and $df=50$ (see Appendix Table 12) for leaders leading employees more than half of their time. For the other group, the p value was below 0.001 with alpha 5% and degree of freedom= 15.

Table 4: Economic performance by frequency entrepreneurial leader-style (absolute numbers; percentage)

| | | frequency implementing entrepreneurial Leadership | | | | Total |
|--------------------------------|-----|---|----------------------|-----------------------|-----------------------|--------------|
| | | 1-25% | 26-50% | 51-75% | 76-100% | |
| Effect on economic performance | Yes | Count 6 75,0% | Count 4 50,0% | Count 18 90,0% | Count 25 80,6% | 53 79,1% |
| | No | Count 2 25,0% | Count 4 50,0% | Count 2 10,0% | Count 6 19,4% | 14 20,9% |
| Total | | Count 8 100,0% | Count 8 100,0% | Count 20 100,0% | Count 31 100,0% | 67 100,0% |

Table 5: One-Sample T-Test; Entrepreneurial leadership less than half of the time effect on economic performance

| One-Sample Test | | | | | | |
|-------------------------------------|----------------|----|-----------------|-----------------|---|--------|
| new frequency | Test Value = 3 | | | | | |
| | t | df | Sig. (2-tailed) | Mean Difference | 95% Confidence Interval of the Difference | |
| | | | | | Lower | Upper |
| <50% Effect on economic performance | -5.000 | 15 | .000 | -1.25000 | -1.7829 | -.7171 |

The last hypothesis stated that leaders leading employees less than half of their time are less likely to believe that an entrepreneurial leadership style has a positive effect on social performance of the firm.

In contrast to the proposed outcome of the cross table analysis, social commitment has no effect on employees. Precisely 23,9% do not believe in a positive affect on social performance. For employee commitment the number was 11,9%. In the second step a T-test analysis with Alpha 5% concludes an significant two tailed test is $p=0.001$ and $df=50$ (see Appendix Table 13) by leaders leading employees more than half of their time. Less than half of their time, $p<0,001$ and $df=15$.

Table 6: Social performance by frequency entrepreneurial leader-style (absolute numbers; percentages)

| | | frequency implementing entrepreneurial Leadership | | | | Total |
|------------------------------|-----|---|----------------------|-----------------------|-----------------------|--------------|
| | | 1-25% | 26-50% | 51-75% | 76-100% | |
| Effect on social performance | Yes | Count 6 75,0% | Count 5 62,5% | Count 13 65,0% | Count 27 87,1% | 51 76,1% |
| | No | Count 2 25,0% | Count 3 37,5% | Count 7 35,0% | Count 4 12,9% | 16 23,9% |
| Total | | Count 8 100,0% | Count 8 100,0% | Count 20 100,0% | Count 31 100,0% | 67 100,0% |

Table 7: One-Sample T-Test; Entrepreneurial leadership less than half of the time effect on social performance

| One-Sample Test | | | | | | |
|-----------------------------------|----------------|----|-----------------|-----------------|---|--------|
| new frequency | Test Value = 3 | | | | | |
| | t | df | Sig. (2-tailed) | Mean Difference | 95% Confidence Interval of the Difference | |
| | | | | | Lower | Upper |
| <50% Effect on social performance | -5.745 | 15 | .000 | -1.37500 | -1.8852 | -.8648 |

5. CONCLUSION

The test results suggest that leaders trying to incorporate entrepreneurial behaviors into their leadership style for more than half of their time are likely to believe that an entrepreneurial leadership style also has a positive effect on employee commitment, economic and social performance. The p-value of 0.024; 0.004 and 0.001 with an alpha of 5% indicates that the outcome is rare given that leaders perceive no direct effect on employee commitment, economic – and social-performance.

However, due to the small sample size it is not possible to give a valued answer to the Hypotheses. The success/ failure assumption cannot be met in all three analysis due to the fact that the sample size with the entrepreneurial leadership style with less than half of the time, is only $n=16$. Only by the use of the cross-tables we can assume a direction. With the data from the t-tests all three hypotheses strictly seen have to be rejected. However, looking at the upper and lower boundary of all three analyses some indications for a negative relationship in all three cases can be found. The first hypotheses, which proposed leaders leading employees less than half of their time are less likely to believe that an entrepreneurial leadership style has a positive effect on employee commitment, can be rejected but this could not be supported by the correlation test. The correlation results (Table 2.) indicated that 88,1% believe that an entrepreneurial leading style has a positive effect on employee commitment. Underpinned by the literature, which states that when leaders build a personal relationship with their employees, it will create organizational atmosphere but also increases the willingness to engage in organization building activities (Sitkin & Pablo, 2004). As the outcome states, 77,96% of respondents believe that an entrepreneurial leadership style will have a positive effect on employee commitment. Similar results were found for the second hypotheses. Using cross tables it could be stated that H2 can be rejected. Even those leaders who are not applying entrepreneurial leadership style are aware of the positive outcomes of that leadership style. The existence of such a relationship between the leadership style and organizational performance is also found in the literature (Koene, Vogelaar, & Soeters, 2002, Waldman, Ramirez, House, & Puranam., 2001). Reasons for the 23,88% that do not apply the leadership style or do not think it has a positive affect could be rooted in the working environment they are bound to. This includes regulations/ guidelines/ laws, which employees and companies are obliged to follow. Some industries are being more supervised than others, like the pharmaceutical industry. The pharmaceutical industry has several different regulations and guidelines, which limits the freedom of employees in being entrepreneurial. An example is QMS (Quality Management System), Pharmacy regulations and so on. Another industry is the logistic transport sector, where the truck drivers have to obey the European regulations about drivers working hours, time-period they are allowed to drive; after what time they are forced to take a break etc. Citing two leaders from the interviews, one from the pharmacy industry 'this is difficult in this kind of profession as you are dependent on rules.

Production of cremes and ointments have to be done according to a fixed recipe' (C. Kellersmann, personal communication, May 25th, 2014) the second from the logistic industry 'regarding the driving time and working time we cannot be tolerant either. These are prescribed by law' (T. Gödje, personal communication, May 17th, 2014). However, those regulations should not affect the social performance of the company but leadership does so. Ardichvili, Cardozo, & Ray (2003) state, that social network and personality traits are affected by the increase of entrepreneurial alertness. The last hypotheses suggested that leaders leading employees less than half of their time are less likely to believe that an entrepreneurial leadership style has a positive effect on social performance of the firm. As the previous two hypotheses, also the third hypothesis has to be rejected. Leaders believe in the positive effect on social performance even when they do not apply the entrepreneurial leadership. Only five out of 67 are not aware of the effect. It can be concluded, that leaders are aware of the effect of leading employees in an entrepreneurial way. Most of the interview respondents are applying this kind of leadership style and believe in the positive effect on firms' performance. Employees are more motivated to work and can identify themselves with the firm. This has a positive affect on the social performance, due to the fact that employees support each other and are less absence from their workplace. Summarized in the model it is stated that the behaviors mentioned in section 2 need to be applied and transferred to the employees.

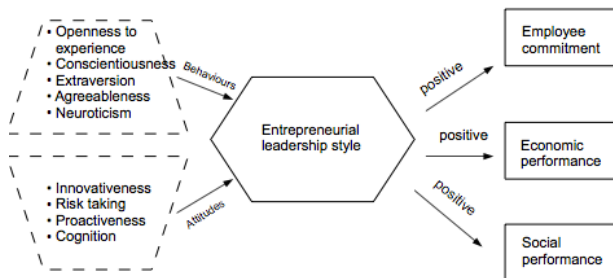


Figure 2: Integrative model of the perceived effect of entrepreneurial employees.

For industries that are more supervised than others, it is more difficult to lead employees in an entrepreneurial style. In those cases it is wisely to digress from the original definition of entrepreneurial activities. Leading employees in an entrepreneurial style includes also transferring employees a more economically behavior. This includes producing less non-conformal products, less waste, avoid unnecessary orders, being more concentrated while working and so on. Furthermore, does someone's own attitude and believe play a significant role by implementing new structures within the organization. According to Teece, (1986) and Helfat (1997) do firm prefer to develop technologies through existing complementary assets. They see less risk by making incremental changes especially within their knowledge field. For example, could firms with established marketing strategies encourage the employees to develop technologies that attract existing customers, due to the existing knowledge in that field (Christensen, 1997). However, the purpose of entrepreneurship is to create and recognize opportunities and turn those to competitive advantage. This attitude will also influence the effect of teaching entrepreneurial behaviors and attitudes to the employees, if they recognize that the management board is not willing to take any risk to develop

something new, than the purpose of entrepreneurial behavior is not met.

6. LIMITATION AND FURTHER RESEARCH

6.1 Limitation

The paper is based on literature and on interviews conducted by leaders of organizations. The selection of interview-partners was not limited to one specific industry. This results in different views and different practices in deciding how important the effect of leading employees in an entrepreneurial way is. Especially, the opportunity to give the employees the freedom to act entrepreneurial varies. It would have been more appropriate to compare leaders from the same industry. This would have increased the comparability lead of the data.

Secondly, another characteristic, which has been not considered, is the size of the company and the amount of employees. As mentioned in section 3.3 the respondents needed to have one-year experience and at least three direct reports. It makes a difference however, if leaders have just three direct reports or if they have 200 employees.

Finally, the chosen interview template was too broad and by conducting open-ended questions the outcomes variety was high and therefore difficult to precisely categorize and compare the data. For instance, instead of using an open-ended questionnaire, a closed-ended would be more preferable. The questions should have been more in detailed by considering an interview template just for this research field. Hence the interview-template included relevant questions for sub-students the detailed information sharing was missing. In addition, depending on the interview quality of the sub-students, who are more interesting in a different fields of study makes it more difficult to receive the precisely information, which are needed.

6.2 Further Research

Analyzing the literature and investigating the interviews on leading employees in an entrepreneurial way a new characteristic raised, which has not been considered yet. It is obvious that leaders realize the benefits and importance of leading employees in an entrepreneurial direction in order to be effective and competitive on the market. However, most of the employees do not show those attitudes and behaviors, like taking risk, being innovative and open for new challenges. Reasons for that might be, that employees have a high degree of uncertainty avoidance and are consequently afraid of doing something wrong. Employees tend to be more formalized and favor work task in which they are experienced, in order to avoid receiving negative feedback. This attitude can be related to the authoritarian leadership style, which is outmoded. It has been practiced in the past decades but is rather neglected in the contemporary management style. The expectations of chief directors have changed and they do not want to be bothered with simply decision. Employees are expected to act more independently and entrepreneurial nowadays. To transfer entrepreneurial attitude and behaviors to employees, it is essential that the leader is willing to delegate more power to their employees. For most leaders the meaning of 'leading' suggests a correlation with the hierarchical principal. This implies that the person who has a higher position in the organizational structure is giving the orders and those who are in the hierarchical structure under the leader are fulfilling the

task. Entrepreneurial attitude and behavior comprise to scrutinize the decision of a leader but this is not always appreciated. Therefore, if a leader strives to lead employees in an entrepreneurial way and wants to harvest the positive effect of such, it is essential to primarily mentor and integrate entrepreneurial behavior and attitudes to the corporate- and management-culture. Many interviews has highlighted that managers like to interrupt their employees or to supervise them on a daily basis, which is not productive in creating entrepreneurial behavior. Further research should concentrate on analyzing the attitudes and behaviors of leaders. especially with a focus on the willingness of leaders to grant more power and independence to their employees.

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8. APPENDIX

Table 8: Summary of employee commitment; economic-, social-performance by frequency

| | | Correlations | | | |
|---|---|---|-------------------------------|--------------------------------|------------------------------|
| | | frequency implementing entrepreneurial Leadership | Effect on employee commitment | Effect on economic performance | Effect on social performance |
| frequency implementing entrepreneurial Leadership | Pearson Correlation | 1 | -.150 | -.073 | -.160 |
| | Sig. (2-tailed) | | .225 | .556 | .196 |
| | N | 67 | 67 | 67 | 67 |
| | Bootstrap ^c Bias | 0 | -.001 | -.003 | -.003 |
| | Std. Error | 0 | .117 | .136 | .118 |
| | BCa 95% Confidence Interval Lower Upper | | -.368 .088 | -.373 .178 | -.404 .061 |
| Effect on employee commitment | Pearson Correlation | -.150 | 1 | -.036 | .215 |
| | Sig. (2-tailed) | .225 | | .770 | .080 |
| | N | 67 | 67 | 67 | 67 |
| | Bootstrap ^c Bias | -.001 | 0 | -.007 | .006 |
| | Std. Error | .117 | 0 | .111 | .161 |
| | BCa 95% Confidence Interval Lower Upper | -.368 .088 | | -.207 .162 | -.079 .568 |
| Effect on economic performance | Pearson Correlation | -.073 | -.036 | 1 | -.066 |
| | Sig. (2-tailed) | .556 | .770 | | .594 |
| | N | 67 | 67 | 67 | 67 |
| | Bootstrap ^c Bias | -.003 | -.007 | 0 | .009 |
| | Std. Error | .136 | .111 | 0 | .092 |
| | BCa 95% Confidence Interval Lower Upper | -.373 .178 | -.207 .162 | | -.221 .166 |
| Effect on social performance | Pearson Correlation | -.160 | .215 | -.066 | 1 |
| | Sig. (2-tailed) | .196 | .080 | .594 | |
| | N | 67 | 67 | 67 | 67 |
| | Bootstrap ^c Bias | -.003 | .006 | .009 | 0 |
| | Std. Error | .118 | .161 | .092 | 0 |
| | BCa 95% Confidence Interval Lower Upper | -.404 .061 | -.079 .568 | -.221 .166 | |

c. Unless otherwise noted, bootstrap results are based on 1000 bootstrap samples

Table 9: Summary employee commitment, economic-, social performane by frequency less than half of the time

| Correlations | | | | | | |
|------------------------------------|-----------------------------|-------------|--------------------|-------------------------------|--------------------------------|------------------------------|
| new_frequency | | | | Effect on employee commitment | Effect on economic performance | Effect on social performance |
| <50% Effect on employee commitment | Pearson Correlation | | | 1 | -.041 | .022 |
| | Sig. (2-tailed) | | | | .879 | .937 |
| | N | | | 16 | 16 | 16 |
| | Bootstrap ^d Bias | | | 0 ^e | .001 ^e | -.005 ^f |
| | Std. Error | | | 0 ^e | .267 ^g | .261 ^f |
| | 95% Confidence Interval | Lower Upper | 1 ^e | -.514 ^e | -.389 ^f | |
| | | | 1 ^e | .503 ^e | .592 ^f | |
| | Pearson Correlation | | | -.041 | 1 | -.244 |
| | Sig. (2-tailed) | | | .879 | | .363 |
| | N | | | 16 | 16 | 16 |
| Effect on economic performance | Bootstrap ^d Bias | | | .001 ^e | 0 | -.001 ^g |
| | Std. Error | | | .267 ^g | 0 | .235 ^g |
| | 95% Confidence Interval | Lower Upper | -.514 ^e | 1 | -.631 ^g | |
| | | | .503 ^e | 1 | .289 ^g | |
| | Pearson Correlation | | | .022 | -.244 | 1 |
| | Sig. (2-tailed) | | | .937 | .363 | |
| | N | | | 16 | 16 | 16 |
| | Bootstrap ^d Bias | | | -.005 ^f | -.001 ^g | 0 ^g |
| | Std. Error | | | .261 ^f | .235 ^g | 0 ^g |
| | 95% Confidence Interval | Lower Upper | -.389 ^f | -.631 ^g | 1 ^g | |
| .592 ^f | | | .289 ^g | 1 ^g | | |
| Effect on social performance | Pearson Correlation | | | .022 | -.244 | 1 |
| | Sig. (2-tailed) | | | .937 | .363 | |
| | N | | | 16 | 16 | 16 |
| | Bootstrap ^d Bias | | | -.005 ^f | -.001 ^g | 0 ^g |
| | Std. Error | | | .261 ^f | .235 ^g | 0 ^g |
| | 95% Confidence Interval | Lower Upper | -.389 ^f | -.631 ^g | 1 ^g | |
| | | | .592 ^f | .289 ^g | 1 ^g | |

d. Unless otherwise noted, bootstrap results are based on 1000 bootstrap samples
e. Based on 973 samples
f. Based on 970 samples
g. Based on 997 samples

Table 10: Summary of the interview outcome

| Case Summaries ^a | | | | |
|-----------------------------|---|-------------------------------|--------------------------------|------------------------------|
| | frequency implementin g entrepreneur ial Leadership | Effect on employee commitment | Effect on economic performance | Effect on social performance |
| 1 | 1-25% | Yes | Yes | Yes |
| 2 | 76-100% | Yes | Yes | No |
| 3 | 26-50% | Yes | No | No |
| 4 | 76-100% | Yes | No | Yes |
| 5 | 76-100% | Yes | No | Yes |
| 6 | 76-100% | Yes | Yes | Yes |
| 7 | 76-100% | Yes | Yes | Yes |
| 8 | 76-100% | Yes | Yes | Yes |
| 9 | 51-75% | Yes | Yes | Yes |
| 10 | 76-100% | Yes | Yes | Yes |
| 11 | 76-100% | Yes | Yes | Yes |
| 12 | 51-75% | Yes | Yes | Yes |
| 13 | 51-75% | No | Yes | No |
| 14 | 76-100% | Yes | Yes | Yes |
| 15 | 51-75% | Yes | Yes | Yes |
| 16 | 1-25% | Yes | No | Yes |
| 17 | 51-75% | Yes | No | Yes |
| 18 | 76-100% | Yes | Yes | Yes |
| 19 | 1-25% | Yes | Yes | Yes |
| 20 | 76-100% | Yes | Yes | Yes |
| 21 | 51-75% | Yes | Yes | Yes |
| 22 | 76-100% | Yes | Yes | Yes |
| 23 | 1-25% | Yes | Yes | Yes |
| 24 | 76-100% | Yes | Yes | Yes |
| 25 | 51-75% | Yes | Yes | Yes |
| 26 | 76-100% | Yes | Yes | Yes |
| 27 | 76-100% | Yes | Yes | Yes |
| 28 | 51-75% | No | Yes | No |
| 29 | 26-50% | No | No | Yes |
| 30 | 76-100% | Yes | Yes | Yes |
| 31 | 76-100% | Yes | Yes | Yes |
| 32 | 1-25% | Yes | Yes | Yes |
| 33 | 76-100% | No | Yes | No |
| 34 | 76-100% | Yes | Yes | Yes |
| 35 | 76-100% | Yes | Yes | Yes |
| 36 | 51-75% | Yes | Yes | No |
| 37 | 76-100% | No | Yes | Yes |
| 38 | 51-75% | Yes | Yes | Yes |

| | | | | |
|-------|---------|-----|-----|-----|
| 39 | 76-100% | Yes | Yes | Yes |
| 40 | 76-100% | Yes | Yes | Yes |
| 41 | 51-75% | No | Yes | Yes |
| 42 | 26-50% | Yes | Yes | Yes |
| 43 | 76-100% | Yes | Yes | Yes |
| 44 | 76-100% | Yes | No | Yes |
| 45 | 1-25% | No | Yes | No |
| 46 | 26-50% | Yes | Yes | No |
| 47 | 26-50% | No | Yes | Yes |
| 48 | 26-50% | Yes | No | Yes |
| 49 | 76-100% | Yes | No | No |
| 50 | 51-75% | Yes | Yes | No |
| 51 | 76-100% | Yes | Yes | Yes |
| 52 | 76-100% | Yes | Yes | Yes |
| 53 | 51-75% | Yes | Yes | Yes |
| 54 | 76-100% | Yes | Yes | Yes |
| 55 | 51-75% | Yes | Yes | Yes |
| 56 | 76-100% | Yes | No | No |
| 57 | 51-75% | Yes | Yes | Yes |
| 58 | 51-75% | Yes | Yes | No |
| 59 | 26-50% | Yes | No | Yes |
| 60 | 76-100% | Yes | No | Yes |
| 61 | 1-25% | Yes | Yes | No |
| 62 | 51-75% | Yes | Yes | Yes |
| 63 | 51-75% | Yes | No | No |
| 64 | 51-75% | Yes | Yes | Yes |
| 65 | 51-75% | Yes | Yes | No |
| 66 | 26-50% | Yes | Yes | No |
| 67 | 1-25% | Yes | No | Yes |
| Total | N | 67 | 67 | 67 |

a. Limited to first 100 cases.

INTERVIEW PROTOCOL ENTREPRENEURIAL LEADERSHIP
English Version 10-05-2014

-- Before you start your interviews, make sure you know the protocol and preferably test drive it on a friend or family member (I know that might be awkward) --

Introduction of yourself and the study

First introduce yourself and thank the respondent for taking the time to be interviewed. Explain briefly why you are doing this study:

- a) your final project to obtain your bachelor degree, and
- b) because you would like to learn more about leadership, in particular in relation to how leaders/managers encourage employees to behave entrepreneurially in organizations (ondernemend gedrag in organisaties / ondernemerisch verhalten in organisatiën)

Introductory information on the respondents background

- Name of organization
- Type of industry / generally what type of product(s) or service(s)
- Name of respondent
- Gender
- Age
- Name of function / position in the organization / main task-responsibility
- Experience in this specific position,
- Total experience in any managerial position
- Approximately, how many direct reports (=people that directly report to the manager in the formal hierarchy of the organization)
- What type of work do people under the manager do (direct reports and others in the hierarchy below manager)

Main interview question (critical incident technique)

1. Could you mention an example in your career of when you led your employees in an entrepreneurial way? If you have multiple examples please take the most recent one. Please take your time to choose and describe one example.
 - i. What happened in this situation or project? What was it about?
 - ii. Which specific behaviors did you demonstrate in this example? How did you show them?
 - iii. Could you describe in greater detail what you did or said exactly?
 - iv. Why did you show these behaviors?
 - v. What kind of behaviors did your employees show in this example? Could you describe them exactly?
2. BACKUP IN CASE RESPONDENT FINDS IT HARD TO ANSWER **OR** TALKS ABOUT OTHER ISSUES THAN ENTREPRENEURIAL LEADERSHIP (=OTHER TOPICS THAN THOSE RELATED TO RISK-TAKING, PRO-ACTIVENESS, INNOVATIVENESS, AUTONOMY, OWNERSHIP, OR COMPETITIVE AGGRESSIVENESS OR ENCOURAGING THESE)
 - i. Can you mention an example in your career of when you encouraged your employees to take risks or take ownership; be autonomous, pro-active or innovative; or learn from competitors?

!!! -> If question 2 not necessary: explain here that in the literature entrepreneurial leadership is characterized by risk-taking, pro-activeness, innovativeness, autonomy, ownership and competitive aggressiveness and encouraging these in employees

Contingency factors

3. How often do you lead your employees in an entrepreneurial way (regularly or occasionally)? Could you give a rough percentage?
4. In which circumstances do lead your employees in an entrepreneurial way, when do you think it is most useful? Too what extent is such behavior useful?
5. In which circumstances do you think it is not useful?
6. How important is social intelligence – empathy, social awareness and skills – for leading employees in a entrepreneurial way?
7. How has your past experience influenced you in leading your employees in an entrepreneurial way? Has your opinion changed over time on this matter and if so why / when?
8. Could you also give a recent example of when you did not behave in an entrepreneurial manner towards your employees and why?
9. How would you describe your leadership in general?

Outcomes

10. What is in your opinion the effect of leading your employees in an entrepreneurial way on employee commitment? Please explain
11. What is in your opinion the effect of leading your employees in an entrepreneurial way on economic performance of the firm?
12. What is in your opinion the effect of leading your employees in an entrepreneurial way on the social performance of the firm? E.g. employee wellbeing (people) or environmental sustainability (profit)?

Closure of the interview

13. Do you have any final comments or thoughts on this matter you would like to share?

Don't forget to thank the respondent and tell them that you will send your final paper when you are done and in case of questions they can contact you or your supervisor at the university (in other words: me)

Table 11: T-Test outcome; Entrepreneurial leadership-style more than half of the time effect on employee commitment

| One-Sample Test | | | | | | |
|---|----------------|----|-----------------|-----------------|---|-------|
| new_frequency >50% Effect on employee commitment | Test Value = 1 | | | | | |
| | t | df | Sig. (2-tailed) | Mean Difference | 95% Confidence Interval of the Difference | |
| | | | | | Lower | Upper |
| | 2.331 | 50 | .024 | .19608 | .0271 | .3650 |

Table 12: T-Test: Entrepreneurial leadership style more than half of the time effect on economic performance

| One-Sample Test | | | | | | |
|--|----------------|----|-----------------|-----------------|---|-------|
| new_frequency >50% Effect on economic performance | Test Value = 1 | | | | | |
| | t | df | Sig. (2-tailed) | Mean Difference | 95% Confidence Interval of the Difference | |
| | | | | | Lower | Upper |
| | 3.050 | 50 | .004 | .31373 | .1071 | .5203 |

Table 13: T-Test; Entrepreneurial leadership style more than half of the time effect on social performance

| One-Sample Test | | | | | | |
|--|----------------|----|-----------------|-----------------|---|-------|
| new_frequency >50% Effect on social performance | Test Value = 1 | | | | | |
| | t | df | Sig. (2-tailed) | Mean Difference | 95% Confidence Interval of the Difference | |
| | | | | | Lower | Upper |
| | 3.708 | 50 | .001 | .43137 | .1977 | .6650 |

Figure 2: Interview Template

