CORPORATE ENTREPRENEURSHIP AND DYNAMIC CAPABILITIES IN SELECTED PHARMACEUTICAL FIRMS IN NIGERIA

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ABSTRACT

The relationship between corporate entrepreneurship and dynamic capability in selected pharmaceutical firms in Lagos, Nigeria was investigated. Specifically, the relationship between employee’s innovative prowess, and the learning, reconfiguration, coordination and integration of the firm’s resources was examined.

A total of 420 questionnaires were administered among selected pharmaceutical firms. Stratified random sampling technique was adopted to ensure proportional representation of the selected firms in the industry. Random sampling technique was also adopted in each functional unit to enable employees have equal chances of being selected. The data for the study were analysed with Structural Equation Model (SEM). The findings revealed a strong strategic relationship between corporate entrepreneurship and dynamic capabilities (0.68).

The study concluded that Corporate Entrepreneurship (CE) stimulated the development of Dynamic Capabilities (DC). Thus, it is the bedrock of strategic change in the pharmaceutical firms. Innovative, proactive and risk taking skills embedded in employees stimulated the firm’s ability to identify and exploit opportunities.

Key words: Dynamic Capabilities, Corporate Entrepreneurship, Learning, Reconfiguration, Coordination, Integration.

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1. INTRODUCTION

The challenge to capture and study the resources that critically underpin competitive advantage has become imperative. Competitive advantage as explained by Filley and
Aldag (2005) forms the basis of firm’s outstanding performance and growth as they are the product of effective strategic management. Hence, managers should focus on building sustainable competitive advantage by implementing unique value and creative strategies based on the combination of internal organizational resources and capabilities stimulated by corporate entrepreneurship (CE). While acknowledging the resource based view (RBV) concept of Barney (1991) that a firm is a collection of unique resources and capabilities that provide basis for its strategy and returns; the idea that the firm must strategize to innovate and build competitive advantage is no longer new. What is worrisome is how the managers will achieve such intent, bearing the nature of the volatile environment they operate. These therefore call for the nurturing of effective corporate entrepreneurship within the firm processes to stimulate employees innovative, proactive and risk taking behaviours geared towards ensuring proper opportunity identification and exploitation that may result to strategic renewal. Sharma and Chrisman (1999) viewed corporate entrepreneurship (CE) as the process by which an individual or a group of individuals in association with an existing organisation, creates a new organisation or adds to the renewal or innovation of an existing organisation. Similar view by Burgelman (1983) observed that CE allows the revitalisation and improvement of corporate performance, and it allows for the transformation of organisation through a process of strategic renewal, based on the acquisition of new capabilities (Guth and Ginsberg 1990). This suggests that strategy must be dynamic, innovative and proactive to accommodate anticipated change that characterizes a turbulent environment.

The persistent increase in environmental turbulence necessitates the role of dynamic capabilities (DC). Johnson, Scholes and Whittington (2008) viewed dynamic capabilities as an organisation’s ability to renew and recreate its strategic capabilities to meet the needs of the changing environment. Supporting this view, Pavlou (2004) observed that dynamic capabilities are firm’s ability to reconfigure resources and renew functional competence that addresses the changing environment. This suggests that the development of DC is inevitable for firm’s sustenance given a volatile environment. The renewal and reconfiguration of firm’s resources do not occur by chance, but are predicated on the innovative, proactive and risk taking behaviour of firms that constitute corporate entrepreneurship (CE). McDougall and Oviatt (2000) viewed CE as the combination of innovative, proactive and risk taking behaviour intended to create value in organisations. Related view by Johnson (1998) perceived CE as opportunity seeking with determination. Studies by Schaltegger and Wagner (2010) posit CE as the catalyst that brings together people, money and ideas to establish value creating networks. Wiklund (1999) also noted that CE linked invention with market success. The trend in these views confirm the fact that today’s firm must not only strategize on existing resources and capabilities, but must also strive to develop dynamic capabilities that can accommodate change, innovate and facilitate the development of new organization capabilities, through corporate entrepreneurship. The study therefore posits that innovative, proactive and risk taking attitudes of employees that constitutes CE, stimulates the development of DC (learning, reconfiguration, coordination and integration) that is purposefully geared towards sustaining firms’ competitive position in the turbulent environment.
2. LITERATURE REVIEW

2.1. Entrepreneurial behaviour
Entrepreneurial behaviour is any newly fashioned set of actions through which companies seek to exploit entrepreneurial opportunities rivals have not noticed or exploited. Entrepreneurial opportunities are external environmental conditions suggesting the viability of introducing and selling new products, services, raw materials and organizing methods at prices exceeded their production costs (Casson, 1982; Shane and Venkataraman, 2000). In complex environments, entrepreneurial opportunities often surface unexpectedly; because these opportunities are short-lived and subject to capture or appropriation by rivals, a firm must move quickly to pursue a desired opportunity once it has been identified (Eisenhardt and Sull, 2001). Three key dimensions – innovativeness (the seeking of creative solutions to problems or needs), risk-taking (the willingness to commit significant levels of resources to pursue entrepreneurial opportunities with a reasonable chance of failure), and proactiveness (doing what is necessary to bring pursuit of an entrepreneurial opportunity to completion) – underlie entrepreneurial behaviour (Covin and Slevin, 1991; Lumpkin and Dess, 1996; Morris and Kuratko, 2002). Entrepreneurial behaviour is the conduit through which entrepreneurship is practiced in companies of all types. Increasingly, organizations are committing to the position that entrepreneurial behaviour is essential if they are to first survive and then achieve competitive success in a world that is being driven by accelerating change (Barringer and Bluedorn, 1999; Ireland et al., 2001; Lyon, Lumpkin and Dess, 2000). In essence, entrepreneurship is concerned with discovering and exploiting value creating entrepreneurial opportunities (Shane and Venkataraman, 2000). The behavioural component “...includes the set of activities required to move a concept or idea through the key stages in the entrepreneurial process to implementation” (Morris and Kuratko, 2002). Entrepreneurship’s willingness component “refers to the willingness of an individual or organization to embrace new opportunities and take responsibility for effecting creative change” (Morris and Kuratko, 2002). Lumpkin and Dess (1996) call this attitude or willingness entrepreneurial orientation. Entrepreneurial behaviour, displayed within the context of an existing organization, is linked to corporate entrepreneurship and is differentiated from its relationship with independent entrepreneurship (Sharma and Chrisman, 1999). In the instance of corporate entrepreneurship, the process of entrepreneurial actions encompasses a set of organization-wide activities rather than any single one (Vozikis et al., 1999).

2.2. Dynamic Capability - a routine within processes
The concept of dynamic capabilities was introduced by Teece and Pisano, (1994). Zollo and winter, (2002) found that dynamic capabilities result from complicated organizational and strategic routines through which the managers reconfigure and renew a firm’s resource base to generate economically value-creating strategies. This implies that dynamic capabilities can be perceived as the routines that guide and facilitate the development of firm’s (organizational) capabilities. Eisenhardt and Martin (2000) extended the definition to include the ability of firms to initiate change. Dynamic capabilities are not simply processes, but embedded in processes; processes are often explicit or codifiable structuring and combination of resources and can be transferred more easily within firm or across firms. More recently, Helfat et al. (2007) defined dynamic capabilities as “the capacity of an organization to purposefully create, extend or modify its resource base. Winter (2003) observed that dynamic
capabilities enable firm to react to changing market conditions by developing and renewing its organizational capabilities thereby achieving and sustaining a competitive advantage. This suggests that the development of dynamic capabilities is inevitable for firm’s sustenance given a volatile environment. The renewal and reconfiguration of firm’s resources do not occur by chance, but are predicated on the innovative, proactive and risk taking behaviour of firms that constitute corporate entrepreneurship (CE). The study seeks to examine relationship between corporate entrepreneurship and dynamic capabilities in selected registered Pharmaceutical firms in Nigeria.

This was premised on the belief that an understanding of the nature and influences of CE on DC by managers and policy makers, will aid in shaping their strategic choices and as such offer a road map for the sustenance of the firm competitive position. Hence the identification and understanding of the influences of CE on DC would give managers and organizations the instrument to rationally improve their chances of success and durably sustain their competitive advantage.

Dynamic capabilities (DC) emerged as a component of resource based view in an attempt at explaining the competitive advantage in a rapidly changing environment. They are referred to as the capacity of an organisation to purposefully create, extend or modify its resource base (Helfat et al., 2007). Similar view by Winter (2003) opined that dynamic capabilities are capabilities that operate to extend, modify or create ordinary capabilities, they are essential capacities for coping with market needs (Teece et al., 1997). Related view by Zollo and Winter (2002) described dynamic capability as the learned and stable pattern of collective activity through which the organisation systematically generates and modifies its routines in pursuit of improved effectiveness. The word capacity referred to the firm’s ability to perform a task in a satisfactory manner to achieve congruence with the changing environment. However the corporate entrepreneurship (CE) should premise the alteration or modification of a firm resource base. The perception is based on the innovative, proactive and risk taking qualities of corporate entrepreneurship exhibited in the identification and exploitation of opportunities that necessitated resource modification or alteration. Thus CE could trigger successful DC in firms since the aim is to identify and exploit opportunities for new growth platforms through entrepreneurship leading to resource modification if need be. Moreover the present day characteristics of the turbulent business environment which reflect innovative product development, shorter technology life cycle and speed of market entry are anchored on entrepreneurial prowess of firms. Thus the influence of CE on the DC purposefully deployed by firm gives the firm a sense of direction towards the identification and exploitation of opportunities which may be the game changer for the firm in the industry.

Corporate Entrepreneurship (CE) is the process by which individuals or groups inside organisations pursue opportunities without regard to the resources they currently control (Stevenson, Roberts, and Grousbeck, 1999). CE encompasses three types of phenomena (Sharma and Chrisman, 1999) these are innovativeness, proactiveness and risk seeking. This process leads to the birth of new businesses and to the transformation of companies through a renewal of their key ideas (Guth and Ginsberg, 1990). These by implication suggest entrepreneurial behaviour are reflected in the innovative and risk taking attitude of employees in the firms.

The motive for corporate entrepreneurship lies in the urge to identify sources of existing and emerging opportunities (Ramachandran, 2003) leading to strategic renewal that may result to significant changes in an organisation’s business or

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corporate level strategy for successful exploitation and growth. These changes alter pre-existing relationships within the organisation or between the organisation and its external environment and in most cases involve some sort of innovation.

It is therefore pertinent to examine the relationship between CE and DC since the sustenance of firm’s competitive advantage in a turbulent environment requires CE and DC that seeks the renewal, reconfiguration and development of organisation capabilities having been complemented by corporate entrepreneurship. This is premised on the fact that CE allows the revitalisation and improvement of corporate performance (Kanter, 1984; Pinchot 1985; Rule and Irwin, 1988) and it is the process by which individual or group of individual identify and exploit opportunities through the innovative, proactive and risk taking skills that constitute entrepreneurship (Sapienza et al, 2004). Similar view by Chung and Gibbons (1997) affirmed CE as a process that transforms individual ideas in to collective actions. Acknowledging this view, Phan et al, (2009) concurred that CE embodies renewal activities that enhances corporations’ ability to compete and take risk which may and may not involve the addition of new businesses to corporation. While noting that major aim of renewing and reconfiguring (DC) existing resources and capabilities is to achieve congruence with opportunities both within and outside the business environment, CE seeks to identify and exploit opportunities using the innovative, proactive and risk taking skills of individual or group of people as such CE actions should precede DC actions and strategy to give guidance and minimize risk in an uncertain environment.

Hence to generate an economically value-creating strategy, opportunity identification and recognition must precede resource reconfiguration and renewal in the course of exploiting such opportunities to achieve strategic fit between the organisation’s resources and opportunity identified. This will help reduce the risk of failure and enhance the innovativeness of firms.

The following hypotheses were formulated for the study:

\[ H_{01} \]: Corporate entrepreneurship has no significant effect on the dynamic capabilities developed by the Nigeria Pharmaceutical firms.

\[ H_{02} \]: Employee’s innovative prowess has no relationship with the reconfiguration of the firm’s resources.

\[ H_{03} \]: Employee’s innovative prowess does not relate with the coordination of the firm’s resources.

\[ H_{04} \]: Employee’s innovative prowess has no relationship with the integration of the firm’s resources

\[ H_{05} \]: Employee’s innovative prowess does not relate with the learning culture of the pharmaceutical firms.

\[ H_{06} \]: Pro-activeness of employee’s has no significant relationship with the learning culture of firms.

\[ H_{07} \]: Pro-activeness of employee’s has no significant relationship with the reconfiguration of the firms resources.

\[ H_{08} \]: Pro-activeness of employee’s has no significant relationship with the coordinating prowess of the firms resources.

\[ H_{09} \]: Pro-activeness of employee’s has no significant relationship with the integrating skills of the pharmaceutical firms;
Employee’s risk taking culture has no significant relationship with the reconfiguration of the firms resources.

Employee’s risk taking culture has no significant relationship with the coordination of the firms resources.

Employee’s risk taking culture has no significant relationship with the integration of the firms resources.

Employee’s risk taking culture has no significant relationship with the learning prowess of the pharmaceutical firms.

3. METHODOLOGY

Confirmatory factor analysis (CFA) test was performed with Corporate Entrepreneurship (CE) as a higher order latent construct, consisting of the three first order indicators (Innovativeness, Pro-activeness Risk-taking). The first order loadings ranged from 0.64 to 0.88 with t-values greater than 1.96 and significant at p < 0.001. The second order loadings ranged from 0.70 to 0.84 at a t-value >1.96 and significant at p < 0.001. The outcome affirmed the higher order construct explicitly represent the causal constructs that impact the first order factors. The measurement model fit index accounted for chi-square ($\chi^2$) of 80.7771; df 41, p= 0.000, $\frac{\chi^2}{df} = 1.9701$; GFI = 0.932; CFI= 0.902. The result indicates an adequate fit.

Beyond the examination of the loadings for each indicator, composite reliability of every construct in the model was also assessed. The reliability scores for the first order construct ranged from 0.74 to 0.84, providing a direct assessment of the construct reliabilities. The overall composite reliability score for the second order construct corporate entrepreneurship is 0.94 all exceeding the 0.70 rule of thumb, indicating a good overall reliability of the model. Confirmatory factor analysis (CFA) test was also performed on dynamic capability (DC) as a higher order latent construct, consisting of the four first order indicators (Learning, Integration, Coordination, Reconfiguration). The first order loadings ranged from 0.58 to 0.86 with t-values >1.96 and significant at p < 0.001. The second order loadings ranged from 0.64 to 0.81 at a t-value >1.96 and significant at p< 0.001. The outcome affirmed the higher order construct explicitly represent the causal constructs that impact the first order factors.

The measurement model fit index accounted for chi-square ($\chi^2$) of 92.751; df =48; $\frac{\chi^2}{df} = 1.9323$; p= 0.000; CFI =0.962; GFI= 0.971. The result indicates an adequate fit. The result showed that each item loaded significantly on its respective first order factor and subsequently the higher order construct without cross-loading to any other first order factor of the same construct. Following the examination of the loadings for each indicator in the DC construct and first order loading construct, composite reliability of every construct in the model was also assessed. The reliability scores for the first order construct ranged from 0.78 to 0.85, providing a direct assessment of the construct reliabilities. The overall composite reliability score for the second order construct dynamic capability is 0.92, all exceeding the 0.70 rule of thumb, indicating a good overall reliability of the model.

4. ANALYSIS OF THE STRUCTURAL PATH

Following the examination and validation of the measurement model in a CFA analysis, the structural relationship to examine the overall relative model fit and the structural parameter estimate with one headed arrow on a path diagram was estimated.
The fit of the structural model was assessed using the absolute fit, parsimony fit and incremental fit indices. The fit resulted to a measures of chi-square ($\chi^2$) of 88, $df = 37$, $p=0.000$, $\chi^2_{df} = 2.378$, $CFI = 0.914$, $GFI = 0.943$. The chi square statistics is significant and other relevant indices indicate a good overall fit (Tippins and Sohi, 2003).

The hypotheses specified for the study were tested.

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Parameter</th>
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<tr>
<td>$H_1$: $CE \rightarrow DC$</td>
<td>0.68</td>
</tr>
<tr>
<td>$H_2$: $INV \rightarrow RC$</td>
<td>0.57</td>
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<tr>
<td>$H_3$: $INV \rightarrow CD$</td>
<td>0.53</td>
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<tr>
<td>$H_4$: $INV \rightarrow LE$</td>
<td>0.59</td>
</tr>
<tr>
<td>$H_5$: $INV \rightarrow INT$</td>
<td>0.63</td>
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<tr>
<td>$H_6$: $PR \rightarrow LE$</td>
<td>0.50</td>
</tr>
<tr>
<td>$H_7$: $PR \rightarrow RC$</td>
<td>0.55</td>
</tr>
<tr>
<td>$H_8$: $PR \rightarrow CD$</td>
<td>0.54</td>
</tr>
<tr>
<td>$H_9$: $PR \rightarrow INT$</td>
<td>0.56</td>
</tr>
<tr>
<td>$H_{10}$: $RK \rightarrow RC$</td>
<td>0.61</td>
</tr>
<tr>
<td>$H_{11}$: $RK \rightarrow CD$</td>
<td>0.31</td>
</tr>
<tr>
<td>$H_{12}$: $RK \rightarrow INT$</td>
<td>0.42</td>
</tr>
<tr>
<td>$H_{13}$: $RK \rightarrow LE$</td>
<td>0.12</td>
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The loading of $CE$ to $DC$ was significant (0.68, $t=7.416$, $p=0.001$). The results pinpoint the significant effect of corporate entrepreneurship on dynamic capability developed by the pharmaceutical firms. This affirmed employee’s pro-activeness and innovativeness in terms of their willingness to adapt quickly to new ways of doing things and seeking unusual solutions to challenges that necessitated the need to reconfigure existing resources, integrate new resources and coordinate them in to productive capacity ahead of competitors to capture the market opportunities, especially when such opportunities has propensity for high risk with high returns.
This by implication suggests corporate entrepreneurship influences the dynamic capabilities in the pharmaceutical firms.

The result also examines the influence of employee’s innovative prowess on the reconfiguration of resources embarked upon by the pharmaceutical firms as expressed in hypothesis 2. The innovative prowess of employee’s was noted to have a significant influence on the reconfiguration of the firm’s resources. This was evidence from the positive correlation of 0.57 exhibited by the innovative prowess of the employees on reconfiguration of the firm’s resources. The outcome of the result was based on the zeal by top managers that saw them placed strong emphasis on research and development and technological leadership. This initiated and boosted the innovative culture displayed by employees to think and behave in novel ways, leading to seeking changes to the existing configuration in a timely and appropriate manner to achieve operational competence to match the changing environment. This innovative actions enables the firms to effectively and efficiently maximises the emerging opportunities ahead of competitors.

The influence of the employees’ innovativeness on the co-ordinating skills of the firms was also noted to have a correlation of 0.53. This suggest that employees readiness to adapt to new ways of doing things while being encouraged by management who assigned task to commensurate with the relevant knowledge and skills of the employees promotes effective co-ordination resources and capabilities. The result is the effective management of dependencies among task, resources and work which ensures output in one unit is available and useful to other units when needed.

Innovativeness of employees was also observed to have significant impact at promoting learning culture in the firms. The correlation of 0.59 attested to this. Attempt at trying to achieve new ways of doing things seeking unusual solutions endeared the employees to seek access to expert and knowledgeable co-workers for proper brainstorming and quality decision making. The senior knowledgeable mentors were equally motivated by the willingness of the employees to think and behave in original ways as such learning was seen by all as a key commodity to guarantee organisational survival since the motive is to enhance a culture of knowledge sharing leading to the sustainability of the firms’ competitive position.

The innovative attitude of employees was also noted to have a strong positive correlation of 0.63 with the integration skills of the firms. This was evidenced from the fact that employees willingness to have seeking new ways of doing things led to a shared awareness among employees and a thorough understanding of their group task. Their collective decision to be innovative stimulated actions that are interrelated and geared towards managing rapidly changing conditions. Individuals are then forthcoming in contributing their input to the group.

Employee’s pro-activeness was equally found to have 0.50 positive correlations with the pharmaceutical firms learning culture. This affirmed the fact that top managers tendencies to be ahead of competitors in introducing novel ideas initiated and catalyst the learning culture that was identified as a key commodity to guarantee organisation survival. Their pro-activeness was perceived in their desire to promptly access expert, knowledgeable co-workers and senior knowledgeable mentors in their firms. Their pro-activeness was confirmed in the management ability to promptly equip their firms with facilities and a culture that enhances knowledge sharing. Hence pro-activeness was found to have stimulated a virile leaning culture in the pharmaceutical firms.
Pro-activeness of employees was also noted to have a 0.55 relationship with the reconfiguration of the pharmaceutical firms’ resources. This was based on the fact that initiated actions by the employees are promptly implemented especially when it requires the reconfiguration of resources to come up with new productive assets. The top management desire to be ahead of others at introducing novel ideas promptly led to an efficient and effective resource reconfiguration to address and capture shifting market opportunities. The zeal to be the first at introducing new product, services, administrative techniques and technology stimulated the reconfiguration of resources in timely, appropriate and efficient manner whenever the need arises. This actions most times have been the game changer required to sustain the firms’ competitive positions.

Also observed was the relationship between the employee’s pro-activeness and the co-ordination of the firm’s resources and capabilities. A relationship of 0.54 was exhibited. This was perceived to be the result of the firms’ capabilities that ensures dependencies among task, work and resources fit together very well. While ensuring that pharmaceutical firms are the first at introducing new product, services and administrative skills, assigned task are done to commensurate relevant knowledge and skills of employees. These affirmed the fact that employees are posted to units based on their core areas of competence and this practice brings out the best pro-activeness in the employees.

The relationship between the employees’ pro-activeness and the integrating skills of the firms was observed to have a correlation of 0.56. This was based on the perception that top managers actions initiated ahead of competitors were supported by employees with shared awareness and understanding of the motive. The employee’s group task allows for synchronisation of their works with the works of others to manage rapidly changing conditions.

The risk taking by employees in the pharmaceutical firms was found to have significant (0.61) positive relationship on the reconfiguration of the firms resources and capabilities. This was evidence from the fact that decision making on the need to reconfigure existing resources to capture the emerging opportunities is not only capital intensive but also strategic because of the competitive position of the firms which must be sustained. The pharmaceutical firm’s response to exploring risky and unknown alternatives leading to the renewal of existing resources and capabilities attested to the determination of the firms to maximise its profit and sustain its competitive position through huge investment in the reconfiguration of firm’s resources. The act of reconfiguring existing resources and capabilities is risky and requires caution bearing in mind that failure may spell doom for firms.

Risk taking by employees was also observed to have a weak correlation (0.31) with the coordination of the firm’s resources and capabilities. This conceivably was because the organisation willingness to commit resources to risky project is taken with great caution by effective management of dependencies among task, resources and works, as such the level of risk is minimize through proper monitoring of the implementation process. Also noted is the fact that assigned task are matched to the relevant knowledge and skills of the employees and this has minimise the risk of failure because expertise and employees core areas of competence are given priority and this has placed the duties of the firms in safe and capable hands.

Also observed is the weak relationship (0.42) between the risk-taking by employees and the integration of works and contributions of individuals or group to the organisation. This is based on the assumption that despite the firm’s strong
The propensity for high risk project and the shared awareness and understanding displayed by group in the firms. Group task and actions are screened and implemented with caution at every stage. The firm’s commitment of resources to identified opportunities by an individual or group is also done carefully following a thorough screening and evaluation because of the rapidly changing business environment and shorter product lifecycle.

The risk-taking by employees to learn and acquire knowledge is small. This is the result of 0.12 relationship exhibited. This by implication means that employees in the firms do not attached meaningful risk to learning and seeking knowledge to advance the firms competitive position. They were also encouraged by the firm’s facilities and a culture that enhances knowledge sharing and this gives no room to any fear or risk to learn especially when access to expert, knowledgeable co-workers and senior knowledgeable mentor is guaranteed. This confirmed the fact that employee’s ability to learn is at low risk, making learning a key commodity for organisation survival.

Figure 1 Measurement Theory Model (CFA) For Corporate Entrepreneurship
Figure 2 Measurement Theory Model (CFA) Dynamic capability
5. CONCLUSION
Following the findings and discussion, the following under listed conclusion were derived:

- Corporate entrepreneurship has significant effect on the dynamic capabilities developed by the pharmaceutical firms.
- The innovative prowess of employees significantly encouraged the reconfiguration of the firm’s resources thereby maximizing the emerging opportunities ahead of competitors.
- Employees’ innovativeness boosted the coordinating skills of the pharmaceutical firms.
- Employees’ innovativeness positively stimulated the learning culture in the pharmaceutical firms.
- The innovative attitudes of employees acted as catalyst that enables individual employees to have a shared awareness among their groups.
- The pro-activeness of employees encourages easy access to learn from expert, knowledgeable coworkers, and senior knowledgeable mentors.
- Employee’s pro-activeness ensures and secures the timely, efficient and effective reconfiguration of the firms’ resources and capabilities to match the changing environment.
- The pro-activeness of employees helps identify the employee’s skills and core area of competence that task to be assigned on expertise for easy discharge of duties.

5.2. Recommendation
Based on the findings and conclusion of the study the following recommendations were made:

- Contemporary managers should pay attention to corporate entrepreneurship effect on the dynamic capabilities of firms based on its significance on the sustainability of firm’s competitive positions in a turbulent environment.
- Organization should promote innovative culture in their employees to safe guard the reconfiguration of the firm’s resources for easy maximization of emerging opportunities ahead of competitors.
- Stimulating Employee’s innovativeness is imperative by top management based on its positive influence on firms coordinating skills, learning culture and shared awareness among groups and individuals.
- The cordial relationship between senior knowledgeable mentor and the other employees should be sustained through consistent improvement in the learning environment. This will promote brainstorming among employees, gives them a sense of belonging, build learning culture that ginger innovativeness and pro-activeness among employees.
- The firms should further improve on the machinery put in place to screen activities and ideas relating to new opportunity identification and exploration since there might be reasons to reconfigure the firm’s resources in the process. Decision such as these comes with high risk and huge commitment of resources and requires caution.
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REFERENCES


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