

SELECT ASPECTS OF CORPORATE ENTREPRENEURSHIP IN INDIA : A DIAGNOSTIC STUDY

by

VINNIE VERMA

DEPARTMENT OF MANAGEMENT STUDIES

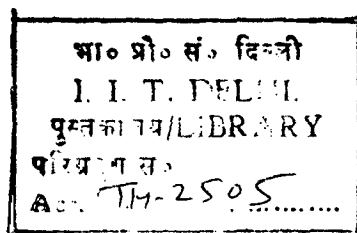
Thesis submitted
**in fulfillment of the requirements of
the degree of
DOCTOR OF PHILOSOPHY**

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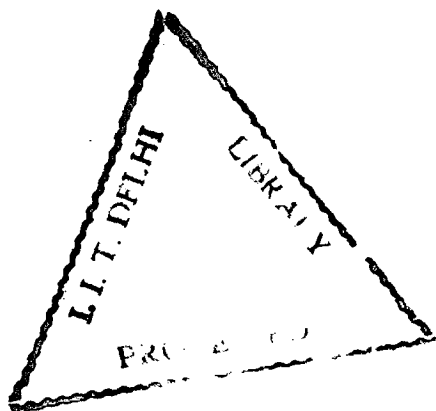


**INDIAN INSTITUTE OF TECHNOLOGY, DELHI
HAUZ KHAS, NEW DELHI - 110 016, INDIA**

February, 1997



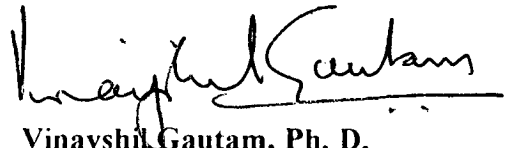
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CERTIFICATE

The Thesis titled “*Select Aspects of Corporate Entrepreneurship in India: A Diagnostic Study*”, being submitted by *Ms. Vinnie Verma* to the Indian Institute of Technology, Delhi for the award of the degree of *Doctor of Philosophy*, is a record of bonafide research carried out by her. She has worked under my guidance and supervision and has fulfilled the requirements for the submission of this thesis which has attained the standard required for a Ph.D. degree of the Institute. The results presented in this thesis have not been submitted elsewhere for the award of any degree or diploma.

February 3, 1997



Vinayshil Gautam, Ph. D.
Dalmia Chair Professor of
Comparative Management
Department of Management Studies
Indian Institute of Technology, Delhi
New Delhi - 110 016.

ACKNOWLEDGEMENT

I would like to express my gratitude to my guide Prof. Vinayshil Gautam whose guidance and constant support has enabled me to carry out this work. His sagacity and vision has played a very important role in guiding me throughout this study. It has been a tremendous experience working under him which has provided deep insights into the practices in the world of work. From time to time, he has encouraged me for excelling and it is his quest for excellence that has been the guiding force to improve upon oneself and constantly introspect myself.

I would like to express profound gratitude to Prof. Sushil, Head of the Department for his guidance from time to time. I would like to thank Prof. P.K. Jain, Prof. Banwet, Dr. S.K. Jain, Dr. K.T. Bhal, Dr. S. Kamungo, Dr. S. Karunes, Er. Harish Chaudhry and all other faculty members whose guidance and encouragement has led to the enrichment of the work.

I would on this occasion like to thank my husband Sunil Jauthari for his unflinching support in all my endeavors. He has always been there for me.

My sincere acknowledgement to my mother Mrs. Krishna Verma, my father Mr. K.K. Verma and my brother Dr. Shallen Verma who have always been my inspiration. It is on account of their constant encouragement, love and blessings that it became easy to tread this journey.

My sincere gratitude to Dr. S.K.S. Jauhari and Mrs Usha Jauhari for being supportive and encouraging me in carrying out this work.

My grateful acknowledgement to all my colleagues for their support from time to time most of all to Mr. Ramraj and Mr. Neeraj for their constant encouragement and help at all stages of the work. My thanks to all my friends for all the help they have extended to me. My special thanks to Arvind Kocchar who has always been a great help.

My sincere thanks to Malay Kapoor for his help. My grateful acknowledgement to all in the industry specially Mr. K.K. Khurana who have been the instrument in the collection of the data and have enabled me to collect the information from time to time. But for their help it would have been impossible to collect an extensive data.

My special thanks to all the office staff - Mrs. Saraswati, Mr. Bose, Mr. Manish and all others for being so cooperative during my tenure in the Department.

My sincere thanks to Mr. Hardayal for typing this thesis and bearing inconvenience on account of working long hours.

3rd Feb, '97


(Vinnie Verma)

ABSTRACT

Corporate Entrepreneurship has of late evoked interest from practitioners of management and academicians. Corporate Entrepreneurship refers to entrepreneurship in established firms which carries with itself alike the following attributes (i) Innovation (ii) Risktaking (iii) Proactiveness. It manifests itself in the form of mergers and acquisitions, franchising, licensing, contracting, divestment, diversification among other forms.

This study looks into select aspects of Corporate Entrepreneurship. An extensive literature review led to identification of gaps in the area wherein the study has been focused. It was observed that there are limited models for Corporate Entrepreneurship and these do not adequately consider an interface between organisation, individual, environmental factors and process of entrepreneurship. There is clearly a need for further studies which relate these factors with performance and its impact on the organisation. The contextual variables have also to be accounted for. There is also a need to strengthen the empirical support for the models proposed. The upshot in the study has been to propose a conceptual framework which highlights an interface between individual, organisation, environmental factors, process of entrepreneurship, performance and outcomes thereof by engaging in entrepreneurial activities.

The manifestation of entrepreneurial activities in established organisations has been studied. The proposed framework has been tested empirically through six diversified organisations in the Electronics and Electrical sector. The tools used for the study included besides the conventional primary and secondary sources, two types of

questionnaires, structured interviews and data analysis. The first questionnaire was used to elicit a response on different variables influencing entrepreneurship in an organisation as postulated in the framework. 180 questionnaires of the first type were administered to managers across different levels and divisions in six organisations. The second questionnaire concerned with entrepreneurial attitude of the top management was administered to sixty managers belonging to the top management profile. The responses gathered through the two questionnaires were clarified through sixty structured interviews carried out with managers in these six organisations. Univariate, bivariate and multivariate techniques have been used for data analysis using SPSS on Windows. The means and standard deviations - give an idea about scores on different variables considered in the framework. The correlation analysis has been used for testing of hypotheses and the multiple regression analysis has been used to see the simultaneous effect of different variables on Corporate Entrepreneurship. Mergers and Acquisitions as manifestations of entrepreneurial activity has been studied. A trend analysis of mergers and acquisitions in India (1993-96) and internationally (1995-96) has been done. The focus of international mergers and acquisitions has been computers and banking segments. Franchising as manifestation of entrepreneurial activity has also been studied. Its growth in India has been analysed and future areas of growth have been suggested.

The study in conclusion contributes to the attempt of heightening the clarity and features of the domain specific characteristics of Corporate Entrepreneurship and performance. A judicious balance between the use of qualitative and quantitative techniques has facilitated proposing an application oriented method of extrapolation of data which may be of use to other organisations with similar features as the ones studied.

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