

EFFECT OF CORPORATE ENTREPRENEURSHIP ON THE PERFORMANCE OF COMMERCIAL BANKS IN KWARA STATE

OBA, Rasak Bolanta, PhD

lgbobi65@gmail.com

Phone: 07033901980

Department of Business Education
Kwara State College of Education Oro,

ATOLAGBE, Mujeeb Bolaji

bolajigold2015@gmail.com

Phone: 08036165812

Department of Business Education
Kwara State College of Education Oro

&

ADEFILA John Sunday

sundayadefila137@gmail.com

Phone: 09068914805

Department of Business Education
Kwara State College of Education Ilorin,

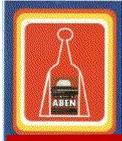
Abstract

This main objective of this study was to analyze the effect of corporate entrepreneurship on the performance of commercial banks in kwara state. The sample consisted of managers, marketers and the teller from 17 commercial banks and their branches operating in Kwara State, resulting in a sample size of 157 respondents. Ordinary Least Squares-OLS - (Multiple Regression Analysis) was employed for data analysis via SPSS. The results revealed that; there is significant effect of innovation on the perceived financial performance with F-value of 46.382; and that there is significant effect of risk taking on perceived financial performance of commercial banks in Kwara State, Nigeria, at F-value of 48.258. The modern corporation, then, is faced with seeking avenues for developing in house entrepreneurship in order to reduce costs of operation. The study concludes that there is significant relationship between innovations on the perceived financial performance of Nigeria banks: Management should encourage innovation and enable innovative employees, especially those within the marketing department to carry out research so as to bring about new ways of improving performance.

Keywords: Entrepreneurship, Corporate, Performance, Innovation Risk taking, Intrapreneurship

Introduction

Corporate entrepreneurship has emerged as a pivotal factor influencing the performance and competitiveness of commercial banks worldwide. In the specific context of Kwara State, Nigeria, understanding the impact of corporate entrepreneurship on the performance of commercial banks is crucial for driving sustainable growth and resilience amidst dynamic market conditions. Over the past few years (Adelakun, 2021), scholars and practitioners alike have increasingly recognized the significance of fostering entrepreneurial behavior and innovation within established banking institutions as a means to adapt to evolving customer needs, technological disruptions, and regulatory changes (Olabisi, 2022). Consequently, investigating the nexus between corporate entrepreneurship and bank performance becomes imperative to unlock insights that can inform strategic decision-making and enhance the long-term viability of commercial



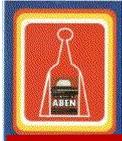
banks in Kwara State.

The contemporary banking landscape in Kwara State is characterized by heightened competition, rapid technological advancements, and shifting consumer preferences (Okuneye et al., 2020). In this dynamic environment, commercial banks face the dual challenge of sustaining profitability while also fostering innovation and agility to maintain relevance and competitiveness (Ogunnaike&Adegbesan, 2023). Corporate entrepreneurship offers a strategic pathway for banks to navigate these challenges by encouraging proactive risk-taking, experimentation, and value creation (Ogbari et al., 2023). By empowering employees to identify and pursue new opportunities, fostering a culture of innovation, and investing in transformative initiatives, commercial banks can position themselves for long-term success in Kwara State's banking sector. Furthermore, the regulatory landscape and institutional framework play a significant role in shaping the scope and efficacy of corporate entrepreneurship initiatives within commercial banks (Akinyemi et al., 2021). While regulations are intended to safeguard the stability and integrity of the banking system, they can also act as either enablers or barriers to entrepreneurial activities (Olabisi, 2022). Therefore, understanding the interplay between regulatory dynamics, organizational culture, and entrepreneurial behavior is essential for designing strategies that promote innovation while ensuring compliance and risk management (Adelakun, 2021). In light of these considerations, this study aims to investigate the effect of corporate entrepreneurship on the performance of commercial banks in Kwara State. By examining the strategies, practices, and outcomes associated with corporate entrepreneurship within the banking sector, this research elucidated the mechanisms through which entrepreneurial activities impact key performance indicators such as profitability, market share, and customer satisfaction (Ogunnaike & Adegbesan, 2023). Therefore, exploring the relationship between corporate entrepreneurship and bank performance holds significant implications for both theoretical understanding and practical implications within the banking sector of Kwara State. By uncovering the drivers and outcomes of entrepreneurial behavior in commercial banks and addressing the contextual nuances that shape its effectiveness, this study aims to contribute to the advancement of knowledge and facilitate informed decision-making among stakeholders in Kwara State's banking industry.

This study on the effect of corporate entrepreneurship on the performance of commercial banks in Kwara State is significant for several reasons. Firstly, it provides empirical evidence on how entrepreneurial activities within banks, such as innovation, risk-taking, and proactiveness, influence financial performance. Understanding this relationship can help bank managers to foster a culture of entrepreneurship that drives growth and competitiveness (Antoncic & Hisrich, 2001). Secondly, the findings will inform policymakers on the importance of supporting corporate entrepreneurship through favorable regulations and policies, enhancing the overall stability and efficiency of the banking sector (Kuratko et al., 2014). Lastly, this study contributes to the academic literature by filling the gap on corporate entrepreneurship in the Nigerian banking context, offering insights that can be generalized to other emerging markets.

Corporate entrepreneurship refers to the process by which established firms innovate, take risks, and pursue new opportunities to drive growth and competitiveness within the organization (Kuratko et al., 2021; Morris et al., 2020), fostering a culture of continuous innovation and renewal. Corporate entrepreneurship within the banking sector experienced a notable evolution, reflecting broader trends in organizational innovation and adaptation to changing market dynamics. Scholars and practitioners recognized the imperative for banks to embrace entrepreneurial strategies to stay competitive amidst technological disruptions and evolving customer preferences (Ozgen & Baron, 2021). During this period, several banks adopted a proactive approach to corporate entrepreneurship by investing in digital transformation initiatives aimed at enhancing customer experience and operational efficiency (Huang et al., 2022). For instance, leading banks like JPMorgan Chase and HSBC launched innovation labs and accelerator programs to foster internal entrepreneurship and collaboration with fintech startups (Alt & Puschmann, 2020). These initiatives enabled banks to explore new business models, products, and services while leveraging emerging technologies such as artificial intelligence, block chain, and data analytics (Tang et al., 2023).

Furthermore, regulatory changes and shifting consumer behaviors spurred banks to diversify their offerings and expand into non-traditional areas of financial services (Lau et al., 2021). Corporate entrepreneurship played a crucial role in this regard, as banks sought to identify and capitalize on



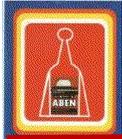
opportunities in sectors such as wealth management, insurance, and digital banking (Burgelman & Bregman, 2022). For example, banks like Goldman Sachs and Citigroup ventured into consumer banking and fintech partnerships to broaden their revenue streams and reach new customer segments (Carney et al., 2023). Moreover, the integration of fintech innovations and open banking frameworks provided fertile ground for corporate entrepreneurship within the banking ecosystem (Brock et al., 2022). Banks collaborated with fintech startups and ecosystem partners to co-create innovative solutions and leverage data-driven insights to personalize offerings and improve risk management (Fintech News, 2023). Corporate entrepreneurship in the banking sector became increasingly vital for driving innovation, fostering collaboration, and staying ahead in a rapidly evolving industry landscape shaped by technological advancements and changing customer expectations.

Kaplan and Norton (2000) opine that “the financial performance measures can be divided into two major forms: the classical indicators which are based on financial data and the modern indicators which are based on valuation principles”. Classic indicators include the rates of return (ROA, ROE, and ROI), gross profit margin, net profit margin, debt ratio, current ratio, acid test ratio. Whereas the modern indicators (Economic Value Added and Market Value Added approaches) derived from stock market values are based on the concept of creating value (Kaplan and Norton, 2000). Ngoze et al, (2014) concur that “successful entrepreneurial accomplishments will inevitably affect the firm’s financial performance in the long run, but in the short run there might be no association among CE climate factors and firm’s financial performance criteria”. This they attribute to project investments and a firm’s internal resource usages or possible losses. Thus they argue that, “the first signals of successful entrepreneurial accomplishments may be obtained from marketplaces, sales growth and market share”. Then, in the long run, these improvements in the competitive position in the marketplace may create higher financial returns as the outcomes of CE

The first dimension that characterizes an entrepreneurial organization is innovativeness. Innovation by definition entails the means by which entrepreneurs exploit change as an opportunity for a different business or a different service (Drucker, 2007). In a nut shell, Innovation has become a fundamental instrument of growth strategies to enter new markets, to increase the existing market share and to provide the company with a competitive edge. Motivated by the increasing competition in global markets, most companies have started to grasp the importance of innovation. Thus, as noted by Kuratko (2005) innovations constitute an indispensable component of the corporate strategies for several reasons such as to apply more productive manufacturing processes, to perform better in the market, to seek positive reputation in customers’ perception and as a result to gain sustainable competitive advantage. As argued by Hitt (2001), the last two decades has seen innovativeness turn into an attractive area of study for those researchers who tried to define, categorize and investigate its performance impacts, especially due to its practical relevance

Risk-taking involves a willingness to pursue opportunities that carry the potential for significant gains or losses, often resulting in performance discrepancies (Kuratko et al., 2011). It refers to venturing into the unknown through calculated, strategic initiatives such as launching new products, entering new markets, or investing in novel technologies with the aim of improving corporate performance. Importantly, corporate entrepreneurship emphasizes *moderate and manageable risks*, not extreme or uncontrollable ones. These risks may be financial, technical, or market-related, and are often manifested through resource allocation decisions made by individuals or organizations. The effects of risk-taking on financial performance (FP) can be both positive and negative. On the one hand, calculated risk-taking can lead to higher returns, increased market share, and long-term financial growth by enabling firms to capitalize on emerging opportunities. On the other hand, excessive or poorly managed risk-taking can strain financial resources, result in project failures, and lead to instability or short-term financial losses. Thus, the relationship between risk-taking and FP is complex and context-dependent, highlighting the need for a strategic balance between caution and innovation in decision-making processes.

The **Resource-Based View (RBV) was formally propounded by Jay Barney in 1991** through his seminal paper titled “*Firm Resources and Sustained Competitive Advantage*”. While earlier foundational ideas were introduced by **Birger Wernerfelt in 1984** in his article “*A Resource-Based View of the Firm,*” it was **Barney (1991)** who fully articulated and popularized the RBV as a strategic management framework.



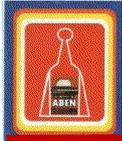
The Resource-Based View (RBV) theory suggests that a firm's competitive advantage and performance are determined by its unique bundle of internal resources and capabilities (Barney, 1991). According to this theory, firms with valuable, rare, and non-substitutable resources are better positioned to achieve sustainable competitive advantage and superior performance. Relating this theory to corporate entrepreneurship, firms can leverage their internal resources such as human capital, technological capabilities, and brand reputation to pursue entrepreneurial initiatives and create value (Priem & Butler, 2020). Research by Ma and Zhao (2021) highlights the importance of technological innovation and resource utilization in driving firm performance, especially in dynamic industries like banking. Resource-Based View (RBV) theory provides a valuable framework for banks to assess their internal strengths, strategically allocate resources, sustain competitive advantage, and drive innovation and adaptation in the dynamic banking industry. By leveraging their unique resources and capabilities effectively, banks can enhance their performance, profitability, and long-term success.

Identification of Core Competencies: In the banking sector, the RBV theory can help banks identify their core competencies, which are unique internal resources and capabilities that provide a competitive advantage. These may include factors such as a strong brand reputation, extensive customer base, advanced technological infrastructure, skilled workforce, and regulatory compliance expertise. For example, a bank with a reputation for excellent customer service and a robust digital banking platform may leverage these core competencies to attract and retain customers, differentiate itself from competitors, and enhance its market position (Ma & Zhao, 2021).

Strategic Resource Allocation: RBV theory emphasizes the strategic allocation of resources to maximize competitive advantage and performance. Banks can use this framework to allocate resources effectively across various business functions, such as marketing, technology, risk management, and customer service. For instance, a bank may prioritize investments in technology infrastructure and talent development to enhance its digital banking capabilities and provide innovative financial products and services to customers (Huang et al., 2022). By strategically allocating resources to areas where they have a comparative advantage, banks can optimize their operational efficiency, improve customer satisfaction, and drive profitability. RBV theory posits that sustainable competitive advantage stems from valuable, rare, and non-substitutable resources. In the banking sector, banks can leverage their unique resources and capabilities to create barriers to entry and sustain their competitive advantage over time. For example, a bank with a vast network of physical branches and a reputation for personalized customer service may enjoy a competitive advantage that new entrants find difficult to replicate (Barney, 1991). By continuously enhancing and leveraging their core competencies, banks can strengthen their market position and withstand competitive pressures in the long term.

Innovation and Adaptation: RBV theory encourages firms to innovate and adapt their resources and capabilities to meet changing market demands and environmental conditions. In the banking sector, banks can use this approach to drive innovation in products, services, and processes. For instance, banks may invest in developing new digital banking platforms, implementing advanced data analytics tools for risk management, or expanding their product offerings to meet evolving customer needs (Ma & Zhao, 2021). By continuously innovating and adapting to technological advancements and regulatory changes, banks can stay ahead of the competition and remain relevant in a rapidly evolving industry landscape.

Gichure, S.N (2015). The study examined five sub-dimensions of corporate entrepreneurship; innovation, risk taking, pro-activeness, competitive aggressiveness and autonomy. These five sub-dimensions of corporate entrepreneurship formed the basis of the research questions. They are: What effect does innovation have on perceived financial performance of commercial banks in Kenya? What effect does risk taking have on perceived financial performance of commercial banks in Kenya? Which has a greater impact on the perceived financial performance of commercial banks in Kenya; proactiveness, competitive aggressiveness or autonomy? The research study was quantitative and data was collected from 44 commercial banks in Kenya through closed-ended questionnaires. The questionnaires entail assessing the degree of corporate entrepreneurship in an organization in relation to its performance. The data collected was entered into a computer application package (SPSS) to quantitatively analyze the data both in terms of

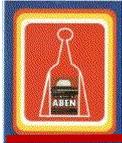


descriptive statistics and inferential statistics. Descriptive statistics include frequencies, measures of central tendencies (mean) and measures of dispersion (standard deviation, variance). Inferential statistics include correlation and regression. The data was then presented using tables and pie charts for clarity and ease of understanding. The findings of the research indicate that there is a strong positive association between level of corporate entrepreneurship and financial performance of a firm. Specifically innovation, risk taking, pro-activeness, competitive aggressiveness and autonomy were all found to have a positive effect on a firm's financial performance. Therefore it is observed that, innovations carried out by banks do have a major influence on their financial performance. Risk taking too has a positive impact on financial performance of banks and finally among the three (proactiveness, competitive aggressiveness and autonomy) competitive aggressiveness had the greatest impact on financial performance of banks followed by autonomy and pro-activeness respectively.

Obalum . and Chima (2018). analyzed corporate entrepreneurship and organizational performance of the banking sector in Rivers State. In accordance with the goals of the investigation, three null hypotheses were defined to manage the exploration. The hypothetical structure is on the Schumpeter's Innovation Theory (1934; 1942) spearheaded in featuring the part of development in the entrepreneurial procedure. The exploration appeared as a spellbinding example review and focused on 369 executives in the 17 banks in Rivers State. Using Taro Yamane sample size determination formula. With the utilization of questionnaire technique, three hundred and sixty nine (369) of the survey were directed to respondents, and after recovery and information cleaning, one hundred and ninety two (192) duplicates were utilized for examination. The Kendall tau_b was utilized in breaking down the hypotheses planned. The survey instrument depended on five-point Likert scale, which is determined as follows; Strongly Agree (SA) = 5 point; Agree (A) = 4 points; Neutral (N) = 3 points, Disagree (D) = 2 point, and Strongly Disagree(SD)= 1. All the null hypotheses formulated were rejected. The findings, therefore, revealed that; a critical relationship exists between risk-taking and profitability, innovativeness fundamentally influences profitability and a noteworthy relationship exists between pro-activeness and profitability in the banking segment in Rivers State. It was reasoned that an abnormal state of corporate entrepreneurial introduction prompts superior. It was, in this manner, prescribed among others that Banks ought to make empowering condition for the workers to be imaginative in their activities with a specific end goal to take its upper hand through making of inventive administrations (money related) prompting expanded financial execution and development of the area.

Statement of the Problem

Commercial banks in Kwara State, Nigeria, are facing increasing pressure to adopt innovative strategies and take calculated risks to remain competitive in a rapidly evolving financial landscape. While innovation and risk-taking are widely acknowledged as drivers of improved financial performance, their actual impact on the financial outcomes of banks in this context remains poorly understood. Previous studies (e.g., Lartey et al., 2019; Nwankwo & Osei, 2021) highlight the potential of innovation and risk-taking to enhance efficiency, customer satisfaction, and market expansion. However, other research (e.g., Adetunji & Ogunleye, 2022) warns of the high costs, implementation risks, and potential negative effects on short-term profitability and financial stability. The inconsistency in existing findings presents a significant gap in empirical knowledge, particularly concerning commercial banks operating in Kwara State. Bank managers and policymakers are thus left without clear guidance on how to strategically leverage innovation and manage risk-taking to enhance performance without jeopardizing financial health. This study seeks to address this gap by examining the influence of innovation and risk-taking on the perceived financial performance of commercial banks in Kwara State, Nigeria. The findings are expected to inform strategic decisions and regulatory frameworks that balance competitiveness with financial sustainability.



Research Questions:

The following research questions were raised to guide the study:

- i. What effect does innovation have on perceived financial performance of commercial .banks in Kwara State
- ii. What effect does risk taking have on perceived financial performance of commercial banks in Kwara State

Methodology

The research design used in this study is cross sectional and correlational study, while the target population selected for this study consisted of 258 staff (Managers. marketers and tellers) from all the 17 commercial banks operating in Ilorin, Kwara State, Nigeria. The total branches used for the study consists of 24 bank branches of the 17commercial banks. The sample consists of managers, marketers and tellers from 17 commercial banks branches in the study areas, resulting in a sample size of 157 respondents, that is, respondents chosen for the study through the use of Taro-Yemen's sampling determination technique.

The main instrument for data generation is structured research questionnaire through random sampling technique. The data was analyzed using descriptive statistics and Ordinary Least Squares-OLS - (Multiple Regression Analysis).

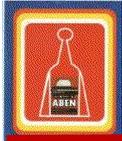
A total of 157 copies of the questionnaire was sent out and 118 were retrieved; after careful scrutiny, 18 were rejected because; they were defaced. A successful response rate of 75.16% was achieved as 100 of the questionnaire were considered acceptable.

Results

The age range of the respondents (i.e. between 41-50 years) makes up 35.0 percent. The second highest age rangc of 31 - 40 years make up 29.0 percent. The third highest age population are respondents who are ≥ 50 years (22.0 percent), while respondents less than or equal to 30 years of age made up 14.0 percent. The gender distribution constitutes a high population for men (52.0 percent), while the women made up the remaining 48.0 percentage, giving the picture that the study area are predominantly dominated by the male counterparts. The most recent employment among the respondents fall between a few months and up to a year (52.0 percent), while 27.0 percent have worked for between 1-5 yrs. Those who have worked for 6 -10 yrs make up 12.0percent; and9.0 percent of the respondents have worked for between 11-15 yrs. The majority of respondents (39.0 percent) are HND holders. The second highest distribution of 29.0 percent was respondents with Post Graduate. The Degree holders made up 24.0 percent followed by OND holders, who made up the least (8.0 percent) of the respondents for this research.

Table 1: Summary of Respondents' Demographics (n=100)

Characteristics	Frequency	Percentage
Age		
≤30	14	14.0
31-40	29	29.0
41-50	35	35.0
≥50	22	22.0
Total	100	100.00
Gender		
Male	52	52.0
Female	48	48.0



Total	100	100.0
Duration of Employment		
<1 yr	52	52.0
1-5 yrs	27	27.0
6-10 yrs	12	12.0
11-15yrs	9	9.0
Total	100	100.0
Education		
OND	8	8.0
HND	39	39.0
DEGREE	24	24.0
POST GRADUATE	29	29.0
Total	100	100.0

Source: Field Survey, 2023

Summary of Respondents' Demographics (n=100)

Source: Field survey, 2023

Results of Hypotheses Testing

Hypothesis one

The t calculated values all showed significant values, because they are greater than the t-tabulated value (1.98). The F calculated value is 46.382, which is greater than the F tabulated value indicating significant relationship between variables of hypothesis 1. The null hypothesis (HO1) is rejected while the alternative hypothesis is accepted, which states that, "there is a significant effect of innovation on the perceived financial performance of commercial banks in Kwara State, Nigeria."

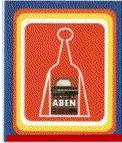
Table2: Innovation and Perceived Financial Performance (n=100)

Table 2: Innovation and Perceived Financial Performance (n=100)

	Unstandardized	Standardized Coefficients		T	Sig.
	Coefficients	Beta			
	B	Std Error	Beta		
(Constant)	0.129	0.246		0.522	0.603
Corporate culture	0.419	0.078	0.443	5.370**	0.000
Innovation	0.148	0.045	0.183	2.578*	0.000
Re-engineering corporate Thinking	0.499	0.144	0.358	3.475**	0.001

Dependent Variable: **Financial Performance**,*,** Correlation is significant at the 0.05 level & 0.01 level (2-tailed), F Calculated value=46.382, $R=0.831$ $R^2 = 0.691$.

Source: Author's Computation, 2023



Hypothesis two

The t calculated values are significant because they are greater than the t tabulated value (1.98). The F calculated value of 35.315 is greater than the F tabulated value and shows significant relationship between the output and input variables. The null hypothesis should be rejected and the alternative hypothesis (H2) accepted, which states that, "there is a significant effect of risk taking on perceived financial performance of commercial banks in Kwara State, Nigeria."

Table3: Risk taking and Perceived Financial performance (n=100)
Table 3: Risk taking and Perceived Financial performance (n=100)

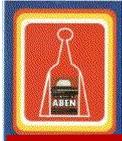
	Unstandardized Coefficients	Standardized Coefficients		t	Sig.
	B	Std Error	Beta		
(Constant)	0.336	0.258		1.306	0.195
Corporate culture	0.385	0.082	0.426	4.711**	0.000
Innovation Thinking	0.199	0.091	0.230	2.193*	0.030
Re-engineering corporate	0.499	0.144	0.358	3.475**	0.001

a. Dependent Variable: **Financial Performance**, *, ** Correlation is significant at the 0.05 level & 0.01 level (2-tailed), F Calculated value =35.315 at 0.05,R=0.794,R2=0.630.

Source: Author's Computation, 2023

Discussion of Findings

The findings are in tandem with Martin and Terblanche, (2003) which stressed that typical corporate culture has a climate and reward system that favor conservative decision making; risky decision are often postponed until enough hard facts can be gathered or a consultant hired to "illuminate the unknown;" frequently, there are so many sign-offs and approvals required for a large-scale project that no individual feels personally responsible. This indicates from our findings that corporate entrepreneurship can improve market share of commercial banks in the study area; but if absent at all, the studied banks, will appreciably improve market share from other variables outside the corporate entrepreneurship dimension. This is in accordance with psychological ownership theory. According to Pierce et al.(2001),psychological ownership promotes self-initiated, evolutionary and additive change, but it produces resistance to imposed, revolutionary and subtractive change. Although we have found no cross references between the literatures of corporate entrepreneurship and psychological ownership, these two phenomena seem related. Gaglio and Katz (2001) identifies supervisory span of control as a linking pin between management and operative employees. There is a positive relationship between span of control and delegation. A broad span of control forces managers to allow their subordinates to enjoy the full benefits of the delegated responsibility. It is because of this that, Ottih (2006) believes that tall organizational structures improve management supervisory efficiency as they entail a narrow span of control. Flattening the organization allows for corporate entrepreneurship to largely increase customer retention in the bank. This is in accordance to the theory of supervisory span of control. Many companies today are realizing the need for corporate entrepreneuring. Articles in popular business magazines are reporting the infusion of entrepreneurial thinking into large bureaucratic structures; in fact, in many books has devoted entire sections to innovation in the corporation (Sharma and Chrisma, 1999). The modern corporation, then, is faced into seeking avenues for developing in-house entrepreneuring in order to reduce costs of operation. To do



otherwise is to wait for stagnation, loss of personnel, and decline. This "corporate revolution" represents and appreciation for and a desire to develop entrepreneurs within the corporate structure. This indicates from our findings that corporate entrepreneurship can reduce operational costs of commercial banks in the study area. Organizational citizenship behavior (OCB) is a special type of work behaviour defined as individual behaviours that are beneficial to the organization and are discretionary, not directly or explicitly recognized by the formal reward system. These behaviours are rather a matter of personal choice, such that their omission is not generally understood as punishable (Organ, 1988). OCB is composed mainly of two factors: compliance and altruism (Sathe, 2003).

Like proactive and innovative behaviour, **OCB** goes beyond direct role requirements and can be seen to contribute indirectly to organizational effectiveness. OCB yet has some distinguishing features which actually exclude it as an element of intrapreneurship. As mentioned, two forms of OCB are compliance and altruism. To establish corporate innovation, companies need to provide the freedom and encouragement intrapreneurs require to develop their ideas (Covin, and Slevin 1991;Lumspkin, Dess and Covin, 2004). This is often a problem in enterprises because many top managers do not believe entrepreneurial ideas can be nurtured and developed in their environment. Doing old tasks more efficiently is not the answer to new challenges; a new culture with new values has to be developed (Sathe, 1985).Innovation is the specific tool of the entrepreneur, therefore, corporations must understand and develop innovation as the key element in their strategy.

Conclusion

The fostering of new innovative ideas requires that individuals have time to incubate these ideas. Banks under this study to some extent structured themselves to encourage employees to believe that corporate entrepreneurship is in fact, part of the role set for all organization members. Real and imagined boundaries prevent people from looking at problems outside their own jobs. Respondents like moderate risk; generally not afraid of being fired, but also sees little personal risk in implementing corporate entrepreneurship ideas. Employees clamor for independence to be able to implement corporate entrepreneurship ideas. Respondents indicated that instability of bank performance caused by changes in the environment prompts management to initiate an organic structure. The study however, concludes that there, is significant relationship between corporate entrepreneurship and performance of Nigerian banks.

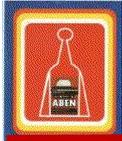
Recommendations

The study came to the following recommendations for stakeholders:

- i. Management should encourage corporate entrepreneurship and enable innovative employees, especially those within the marketing department to carry out research so as to bring about new ways of improving market share;
- ii. Teams of innovative employees within the production unit should be created and a time lag set for reengineering corporate thinking to thrive so as to increase customer retention;
- iii. The cost of operation within the studied commercial banks can be further reduced if new ideas and latest innovative techniques are championed by innovative employees within the bank.

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