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EFFECT OF CORPORATE ENTREPRENEURSHIP ON BUSINESS PERFORMANCE OF COMMERCIAL BANKS: A CASE OF EQUITY BANK KENYA LIMITED

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Abstract

In the competitive Kenyan banking marketplace, corporate entrepreneurial intention is crucial. EQUITY BANK KENYA LIMITEDL (EBKL) has embraced the corporate entrepreneurial approach in its business models throughout the country which has enabled the creation of new business lines that are not typical of banking. The objective of study was to assess how the concept of entrepreneurism, as adopted by EBKL, influenced business performance. The study adopted descriptive research design since it accurately depicts conditions. The population of the study was 144 interviewees from EBKL's departments responsible for business growth, finance, human resources, operations and IT, and used stratified sampling approach to select the sample. The study collected both primary and secondary data using questionnaires as the data collection instruments. Descriptive statistics, mean scores, standard deviation and percentages were used to analyse the quantitative data. Further inferential statistics, correlation and regression were done. Correlation analysis was used to establish the strength of association between variables, while regression analysis was done to establish relationship between corporate entrepreneurship and business performance. The study established that corporate entrepreneurship had a significant influence on business performance.

Key Words: *Corporate Entrepreneurship, Corporate Entrepreneurial Risk, Corporate Innovation, Corporate Entrepreneurial Culture, Corporate Proactiveness, Business Performance*

Background of the Study

The commercial climate is continually in a state of flux, thus affecting corporate performance because of predictability and volatility factors (Baumol, Litan & Schramm, 2019). As such, it affects the success and sustainability of many business firms owing to its influence in market dynamics and competitiveness (Kuratko, 2017). Corporate entrepreneurship is an emerging element that is so pertinent in the business industry. It takes the shape of starting a new business line or expanding current business lines through corporate operations (Wyk & Adonisi, 2012).

Through economic growth, job creation, and invention support, entrepreneurship as a specialty is a fundamental driver of societal progress. It is important to cultivate appropriate levels of entrepreneurial orientation in order to stimulate entrepreneurial activity within a corporate setting (Dess & Lumpkin, 2015). Entrepreneurship is associated with developing new solutions or proactive companies that do not follow conventional business models. An entrepreneurial attitude increases competitive advantage through corporate activism and innovation exhibited in business procedures, routines, and undertakings. The necessity for a company to accept risk and maintain a competitive edge is manifested in the actions of business actors (Zahra, 2018). As a result, corporate entrepreneurship improves company performance by increasing an organization's proactivity and risk appetite. Business firms have better success by launching innovative goods or services outside of established business paradigms.

Corporate entrepreneurship is a strategic variable in successful organizations and businesses. Organizations and businesses that use this element attain better levels of growth and profitability (Bierwerth, Schwens, Isidor & Kabst, 2015). A number of studies have concentrated on determining the fundamental mechanisms that influence corporate entrepreneurship's contribution to company performance. For instance, Umrani, Kura and Ahmed (2018) noted that despite the high level of competition in the market, corporate entrepreneurship had a favorable relationship with overall profitability and growth in the Pakistan banking industry. In Nigeria, the number of bank executives who have started their own businesses has grown, despite the massive market rivalry (Adebiyi & Eze, 2018). Entrepreneurs who properly recognize their company's competitive industry position influence and activate emerging market conquest tactics, financial capital, and key affiliation and joint venture decisions.

Entrepreneurs, according to Wood and McKinley (2020), are more than just information filters and translators; they are also an important element of opportunity creation. From its very licensure as a commercial bank in January 2005, EQUITY BANK KENYA LIMITED has reinvigorated the banking services by changing perceptions and associated solutions. Banking via agents and ICT banking platforms has for instance expanded market opportunities for the bank as customers found the innovations very convenient and accessible. It also forged a strategic collaboration with Airtel, resulting in the establishment of Finserve, a Mobile Virtual Network Operator (MNVO). The bank has been able to achieve considerable market expansion and improved financial performance because of its entrepreneurial activities. Its enormous success can be ascribed only to the company's thriving entrepreneurial culture.

Corporate Entrepreneurship

Corporate entrepreneurship is the process of starting new businesses or adding value to an otherwise existing company or social institution (Bierwerth *et al.,* 2015). Corporate entrepreneurship as suggested by Adonisi (2012) is the aggregate of organizational, invention, revitalization, venture, competitive aggressiveness, and taking risks. The building of new business concepts and possibilities within big and mature organizations is referred to as corporate entrepreneurship (Kuratko *et al*., 2015). Corporate entrepreneurship could refer to the start-up of a company in an established business or a broad range of activities related to the conversion or renewing of an existing company. In this way, a company might alter the terms of competition in its industry.

Corporate entrepreneurship is a critical aspect of organizational and economic growth as well as wealth generation (Chan & Cheng, 2017). Corporate entrepreneurship is a critical factor for business success, since it has the potential to boost productivity, improve best practices, create new sectors, and improve international competitiveness (Zahra, 2018). It is also important for large organizations because it offers previously risk-averse institutions an opportunity to innovate and motivate company executives and teams to be more entrepreneurial. Entrepreneurial activities are enablers of establishing new business lines that see new income streams and operational efficiency. Similarly, it is a source of fresh information that informs the company's capacity to adapt to market developments by increasing its competence and determining the outcomes of competitive rivalry.

Business Performance

The notion behind business performance is that an organization is a consensual alliance of productive capital, such as human, material, and financial resources to attain a common goal (Cassey, 2006). The context of performance for a financial firm is viewed in terms of actual output and not projections in goals and objectives. Business performance focuses on three major metrics: finances in terms of profit generation and returns in capitals, followed by non-financial indicators like customer experience, training, and development, and growth (Shafagatova, 2016). As a result, it refers to an organization’s capability to realize objectives via competent, effective and committed governance.

O’Donnell (2018) recommended that service providers extend their productivity analysis beyond the traditional company-oriented approach to include a dual company-customer perspective. This broader perspective can aid in the management of disputes or the creation of linkages between enhancing service quality and increasing set of tasks (Huang & Tung, 2013). Industry, corporate, and company segmental unit performance measurement is a complex notion that happens at multiple sectoral levels. The specific variables that determine performance must be strategically targeted to conform to the organizational context, with sector factors that can maintain success over time (McGahan, 2014).

1.1.4 EQUITY BANK KENYA LIMITED

For the past three years, EQUITY BANK KENYA LIMITED has been the largest bank in Kenya in terms of customer base and profitability. The company has continued to seize chances to guarantee that Kenya is positioned as the region's financial services powerhouse. The bank has developed into a Pan-African conglomerate with operations in

Eastern Africa and intends to expand into West Africa through organic growth and acquisitions. Upon becoming a commercial bank in 2004, it was traded on the Nairobi Stock Exchange in 2006. Through embracing corporate entrepreneurship, it has transformed from a very small housing co-operative society into being Kenya's second largest commercial bank by profitability and customer base in less than 15 years.

The organization has developed itself as a socioeconomic identity over time as a result of its unique strategy. Its strategic goals and ideas strive to improve people's access to, simplicity of use of, and accessibility of financial services. The firm has made a name for itself as a financial services provider and as a pan-African growth champion. The Equity Group Foundation is a non-profit organization dedicated to making a positive influence on the world. The most difficult task facing the company is meeting the expectations of all consumers and stakeholders in the region. The Equity Group Foundation is continuing to invest in social impact projects. According to the business, the group's client base increased by over 10.1 million by the end of 2015. The organization also supports ethical leaders through the 'Wings to Fly' scholarship program and the Equity Leaders Program.

Statement of the Problem

Corporate entrepreneurship is recognised to be an effective approach for increasing business performance in terms of financial performance. As such, business leaders should be encouraging their workers and organizations to be more entrepreneurial. A number of researchers have realised that corporate entrepreneurship increases business success by improving a company's pro-activeness and willingness to take risks, thus able to trailblaze the formation of new solutions. Antoncic and Hisrich (2014) say that entrepreneurism positively enhances production strategies of companies in terms of progression, lucrativeness, and prosperity.

Banks have struggled to achieve strong profitability, growth, and performance due to the fast development in global economies, technological advances, marketplace rivalry, and an ever-changing economic climate. The country has also seen collapse of three banks in the last 6 years, while majority are struggling with business performance occasioning several mergers and acquisitions. Corporate entrepreneurship, which includes the introduction of new goods, strategy reinvention, and high-quality solutions, would provide bankers a market edge, survival and growth trajectory. In the setting of such a sector, it is important that such a relationship be experimentally examined. In the banking industry, there is little or no in-depth investigation on corporate entrepreneurship.

The purpose of this study was to see whether corporate entrepreneurial approach influenced company success in Kenya's extremely competitive banking industry. Corporate entrepreneurial approaches have been embraced by Equity Group Holdings, and they are doing better, although prior studies have not linked entrepreneurial activity to company success. Despite the fact that EQUITY BANK KENYA LIMITED is increasingly adopting corporate entrepreneurship, there is limited research on the impact of corporate entrepreneurship on performance of Kenya's banking industry. The goal of this study was to address an information vacuum in the banking sector by establishing the link between corporate entrepreneurship and business performance.

Research Objective

To evaluate the relationship between corporate entrepreneurship and performance of Equity Group Holdings.

Research Questions

How does corporate entrepreneurship affect the performance of Equity Group Holdings?

LITERATURE REVIEW

Theoretical Literature

Resource Based View Theory

This theory was pioneered by Penrose (1959). According to this theory, an organization's superior performance may be traced exclusively to the firm's niche knowledge and proficiency. According to this theory, a significant indicator of opportunity-based entrepreneurs is resource access (Alvarez & Busenitz, 2001). The theory argues that firms try to differentiate themselves from competitors in order to acquire a sustained high service quality (Hitt *et al*, 2016). According to Resource Based View Theory, a company that adopts a value creation strategy is more likely to gain a competitive edge over existing or future competitors who do not.

Entrepreneurial orientation, capital accumulation, material assets, and qualified human resources may all be integrated to generate a competitive edge for a commercial enterprise (Barney, 2013). According to the resource-based-view (RBV) hypothesis, organizational resources such as corporate entrepreneurship, are precious, scarce, hard to repeat, and difficult to replace. In light of this, corporate entrepreneurship is a significant organizational resource that enhances market edge to businesses. Businesses must concentrate on continual improvement of all resources available to them. Kuratko (2015) argues that in order for businesses to thrive and stay competitive, they must be aggressive and inventive in their behaviour. Entrepreneurship is a competitive advantage and development advantage approach which revitalizes and assures the long-term viability of a company (Kuratko *et al,* 2015).

Theory of Corporate Entrepreneurship

Lumpkin and Dess (2015) offer a corporate entrepreneurship theory as an alternate paradigm for entrepreneurial attitude. It defines entrepreneurial orientation in terms of autonomy, inventiveness, daring, creativity, and assertiveness in the marketplace. The ability to operate independently and the willingness to innovate are two essential characteristics of entrepreneurial attitude (O'Donnell, 2018). This theory provides conceptual link between entrepreneurial orientation and company performance. The theoretical model demonstrated the five-corporate orientation-business performance link between innovation, risk taking, proactiveness, competitive aggressiveness, and autonomy in an alternative model for corporate entrepreneurship Han and Park (2017). Innovativeness, risk-taking, proactivity, competitive aggression, and the ability to compete with other enterprises were all significant success criteria for businesses in this research.

Top manager's engagement in guaranteeing knowledge transfer and harmonizing various divisions in organizational strategies enables them to encourage corporate entrepreneurship with excellent knowledge. "Entrepreneurial businesses suffer the most financial and business risk and spend the most on creative operations, yet they are always rewarded in the marketplaces," Dess *et al* (2015) asserts. Companies that embrace entrepreneurialism seriously are perceived to improve performance and have a greater chance of sustaining their operations (Venter *et al* 2008). Strong entrepreneurial qualities, such as leadership, effective planning processes, a buyer orientation, operational efficiency, and hands-on management, were seen in companies that focussed on corporate entrepreneurship (Morris, 2015). According to the findings, highly entrepreneurial oriented firms adapt better to ever-changing economic climates and thus register constant growth and successes, (Wiklund, 2014).

Empirical Literature

Corporate Innovation and Business Performance

Martn-Rojas, Fernández-Pérez and Garca-Sánchez (2017) conducted research to investigate the impact of technological innovation on organizational performance. They were able to prove that organizational ingenuity was a key driver of difference and improved business results. With data from 201 Spanish organizations, the study employed the LISREL analytical approach. Between the years 2000–2010, In European context; Cucculelli and Bettinelli (2015) analysed the factors that impact company's profitability in a cohort of 376 medium and small Italian businesses. They focused on improvements in business paradigms as well as investments in intangibles. They discovered that implementing the change strategy had a beneficial impact on the firm profitability.

Lwamba, Mbwisa and Sakwa (2013) investigated the impact of corporate entrepreneurship's innovativeness component on the financial performance of Kenya's manufacturing businesses, with data was collected from 186 manufacturing companies. It is clear that the product, process, organizational orientation, and marketing dimensions of innovation have a substantial positive association with financial performance. The catalysing impact of corporate entrepreneurship was studied by Yunis, Tarhini and Kassar (2018). They discovered that ICT use is critical for improving corporate productivity and competitiveness. In the Lebanese market, they were able to show a favourable link across ICT use and organisation effectiveness.

Corporate Risk Taking and Business Performance

Walls (2005) conducted an empirical assessment of the 50 biggest American based businesses' financial risk tolerance from 1981 to 2002. The study discovered that companies with a high-risk tolerance outperformed others who were less ready to accept financial risks. Wand and Poutziouris (2010) conducted research on entrepreneurial risk-taking in family-owned firms in the United Kingdom. They performed a quantitative study with 236 firms using a sample frame based on the FAME database. They discovered a link between degree of risk-taking and company performance.

Kolakvic *et al* (2008) investigated the lack of a direct link amongst corporate entrepreneurship and company success in Croatia, Slovenia, and Romania (2008). Aktan and Bulbut (2008) opine that the association between entrepreneurial alignment and success of the related firms was momentous. Other studies have found that corporate entrepreneurship has a significant influence on cash flows, resulting in increased profitability. According to Lee et al. (2019), having an entrepreneurial mindset increases a company's success. However, adding the process of knowledge creation to this connection results in a direct decrease in the link between entrepreneurial activity and corporate performance.

Corporate Pro-activeness and Business Performance

Nkosi (2011) performed an assessment study on ICT industry firms on entrepreneurial orientation and profitability. The study was a quantitative research, as data was obtained via restricted questionnaires in an internet questionnaire to investigate experimentally the link between corporate entrepreneurship and company success employing descriptive and inferential statistics. They realized that enterprises with a high level of corporate entrepreneurship are more likely to be able to continue their businesses and flourish. The study discovered that in the ICT industry, there is a substantial positive link between privilege and company performance. It was also discovered that all of the research's corporate entrepreneurship characteristics had a favourable link with business performance.

The impact of corporate entrepreneurship on the performance of Kenyan oil manufacturing businesses was investigated by Mokaya, Samuel, and Kelvin (2012). The research looked at 214 personnel from BIDCO and KAPA Oil Refineries, out of a total of 498. It was discovered that corporate entrepreneurship is a regular occurrence in edible oil production firms, and that it has a favourable impact on firm success with a correlation value of 0.661, the study found a substantial and positive link between corporate entrepreneurship initiatives and company performance. Both businesses got above-average ratings for all key corporate entrepreneurship practices, with funding and managerial support earning the highest marks. Employee entrepreneurial behaviour, as evaluated by individual motivation, risk-taking, inventiveness, and proactivity, exhibited positive and significant connection with firm performance. BIDCO's performance was substantially better than KAPA's.

Corporate Culture and Business Performance

With regard to Malaysian corporate entrepreneurship, Ambad and Wahab (2013) conducted research on the impact of corporate enterprise on the performance of Malaysia's public-listed businesses (PLCs), gathering data from 130 firms listed on the country's primary stock exchange. Entrepreneurial orientation is favourably connected to company growth, according to the findings of the research. Although entrepreneurial intention is beneficial, it has little bearing on the profitability of a company. This connection is moderated by environmental dynamism.

A research by Aktan and Bulut (2008) looked at the impact of corporate entrepreneurship on financial performance in developing economies, with a focus on Turkey. The research included 2032 responses from 312 companies, the majority of which were based in Turkey. The Sobag Project 104K117 acquired research data. According to a research, corporate entrepreneurship improved company profitability significantly.

Linyiru (2015) investigated the impact of corporate entrepreneurship on the return of investment of Kenyan state firms. As of 2013, there were 187 state companies in the study's population. The study comprised a purposive sampling method of 55 commercial state companies. The World Bank has named Kenya as among the most competitive environment businesses in the world. The study discovered that corporate entrepreneurship was connected to increased profitability. Risk-taking, inventiveness, proactivity, and organization variables were shown to be important drivers of shareholder returns.

Conceptual Framework

Independent Variable

Entrepreneurial Risk Taking

- Risk Taking
- Shareholders Relationship
- Diversify Ownership
- Reduction in Volatility

METHODOLOGY

Research Design

The descriptive research design was used in the study since it provides an accurate picture of the issue. According to Kothari (2008), the design specifies the features of a certain phenomenon in a context. Descriptive research design presents a true picture of people, events, or situations and permits vast volumes of data to be collected from a wide population in a highly economical way. The research objective was to offer accurate current facts through data gathering in order to test hypotheses or respond to questions at the end of the study. Descriptive research design study describes the existing conditions and attitudes through observation and interpretation techniques thus effective in fulfilling the study objectives. The chosen research design will enable proper gathering of facts about entrepreneurial orientations effect on business outcomes.

Population of the Study

A research population is a well-defined group of individuals, services, components, or events. A population of study, according to Cooper and Schindler (2008), is the complete collection of components to which references have been made. Employees at EQUITY BANK KENYA LIMITED were the target demographic for this study. The firm provided 144 responses from a wide variety of executives in the business development, credit, finance, operations, human resource, and information technology divisions as tabled below.

Table 3.1: Target Population

Survey Participant Cadres and Departments	Population
Business Development and Expansion	14
Finance	16
Credit	32
Operations	30
IT	26
Human Resource	26
Total	144

Source: EQUITY BANK KENYA LIMITED (2022)

Sampling Design and Procedure

The sample was chosen using a stratified sampling approach. Sampling is the act of selecting and analysing a small number of individuals, items, or events in order to learn more about the whole population from which they were recruited. Cooper and Schindler (2008) notes that the approach guarantees a reflective subset drawn from a reasonably similar group and gives estimates that are more precise on the characteristics of the overall population. The segmentation for the study considered the diverse management levels that denote EGKL's headquarters in Nairobi City, as well as regional units across the nation.

Each management level informed a stratum and the associated numbers treated as sample percentage. To eliminate bias, the responders in each stratum were randomly chosen. Random sampling reduces the population's sampling error (Cooper & Schindler, 2008). As a result, the precision of any estimating methodologies utilized by the study improves. Simple random sampling was used to choose 72 participants for the research. By giving some control over variation, stratification of bank management minimized standard error. The number of survey participants was 50% of the target population, guided by Mugenda and Mugenda (2003) who suggest that a sample constituting 30% of the entire population is adequate for an empirical investigation.

Sample Size

Samples Size=Population x 0.5

Survey Participant Cadres and Departments	**Population**	**Sample Proportion (%)**	**Sample Size**
Business Development and Expansion	14	50	7
Finance	16	50	8
Credit	32	50	16
Operations	30	50	15
IT	26	50	13
Human Resource	26	50	13
Total	144		72

Source: EQUITY BANK KENYA LIMITED (2022)

Data Collection Procedures

Primary and secondary data was collected for the study. Questionnaires were used to gather primary data, while documentary analysis techniques were used to obtain secondary data from EQUITY BANK KENYA LIMITED's published yearly records. A semi-structured questionnaire which was separated into two sections was utilized. The first section sought data on demographic characteristics while the second section collected information on the variables of corporate entrepreneurship and impacts on profitability and stability of EBKL. The questionnaires were hand-delivered to EBKL headquarters. Closed-ended questionnaires were utilized to ask questions. Closed ended questions have the advantage of being easier to analyse, administer, and employ thus saving time (Sukamolson, 2016). Secondary data was sourced from company documents such as published annual financial and reports.

Empirical Strategy

For the purpose of estimation, a general linear model applied is specified as follows:

$$BP = \beta_0 + \beta_1 CER + \beta_2 CI + \beta_3 CEC + \beta_4 CP + \varepsilon$$

Where: **BP** = business performance; **CER** = corporate entrepreneurial risk; **CI** = corporate innovation; **CEC** = corporate entrepreneurial culture**;** $\boldsymbol{\beta_0}$ = regression constant; $\boldsymbol{\beta_{1....4}}$ = regression coefficients; ε: error term.

ESTIMATION RESULTS AND DISCUSSIONS

Corporate Entrepreneurship

Descriptive Statistics

Indicators	M	SD
Corporate entrepreneurial risk	4.48	0.74
Corporate entrepreneurial culture	4.40	0.44
Corporate innovation	4.44	0.47
Corporate proactiveness	4.42	0.64

Source: Empirical Findings (2022)

The above table shows respondents' response on the extent to which corporate entrepreneurship influence business performance. From the findings, Corporate entrepreneurial risk, Corporate entrepreneurial culture, Corporate innovation and corporate proactiveness influenced business performance to a great extent as indicated by a mean of 4.48, 4.40, 4.44 and 4.42 with a standard deviation of 0.74,0.44,0.47 and 0.64 respectively.

Business Performance

Descriptive Statistics

Indicators	**Yes (%)**	**No (%)**
Employee Turnover	11	89
Disbursement of loans	76	24
Surplus Or Net profit	80	20
Market share price	65	35
Increase in bank profits	92	8
Return on assets	87	13
Increase in customer base	90	10
Increase in market share	94	6
Increase in dividend payout	67	33
Quality Product development	75	25

Source: Author (2022)

Respondents were requested to indicate the extent to which the corporate entrepreneurship affected bank performance in respect to specific performance indicators. From the results, corporate entrepreneurship had led to increasing in bank market share as indicated by 94% of the respondents, Increase in bank profits as indicated by 92 % of the respondents, increased customer based as indicated by 90% of the respondents and increased in return-on-assets as indicated by 87% of the respondents. The results also indicated that corporate entrepreneurship led to increase in Surplus or net profit as indicated by 80% of the respondents, improve disbursement of loans as indicated by 76% of the respondents and led to quality product development as indicated by 75% of the respondents. The results further indicated that corporate entrepreneurship practiced by the bank led to increase in dividend payout as indicated by 67% of the respondents and stabilizes market share price as indicated by 65% of the respondents. The findings also indicated that corporate entrepreneurship had reduced employee turnover as indicated by

89% of the respondents. This implied that corporate entrepreneurship has positive effects on performance in the bank. The respondents indicated that bank achieved improved performance due to corporate entrepreneurship which influenced bank in taking risk and invest in technologies, enhance innovativeness, improve on quality of products and services and improve efficiency of bank distribution channels due to bank pro-activeness.

Regression Analysis

Model Summary

Model	R	R^2	Adj R^2	Std. Error of the Estimate
1	.72(a)	.518	.489	0.24

a. *Predictors: (constant), corporate entrepreneurial risk taking, corporate innovation, corporate entrepreneurial culture and corporate pro-activeness*
b. *Dependent Variable: Business Performance*

From the model summary analysis, R^2 =.518 indicated that there existed a significant correlation between corporate entrepreneurship and business performance in the bank. Adjusted R^2 = 0.518 indicted corporate entrepreneurial risk, corporate innovation, corporate entrepreneurial culture and corporate pro-activeness explained 51.8% of variance in business performance whereas the other 48.2% was explained by other factors ignored in the estimation model.

ANOVA Table

Model		Sumof Squares	Df	Mean Square	F	Sig.
1	Regression	1.23	4	0.31	14.19	0.00
	Residual	15.80	61	0.26		
	Total	17.03	65			

a. Predictors: (Constant), Corporate Entrepreneurial Risk taking, Corporate Innovation, Corporate Entrepreneurial Culture and Corporate Pro-activeness
b. Dependent Variable: Organizational Performance

The study established that there existed a significant goodness of fit between variable as F-test (F = 12.865, P < 0.05). The calculated F=14.19 far exceeds the F-critical of12.865.This implied that the level of variation between corporate entrepreneurship and business performance was significant at 95% confidence level.

Coefficients Table

Model	Unstandardized Coefficients		Standardized Coefficients	t	p
	B	SE	Beta		
(Constant)	3.00	0.28		3.64	0.00
Corporate entrepreneurial risk	0.86	0.20	0.76	11.93	0.00
Corporate Innovation	0.85	0.13	0.713	5.00	0.01
Corporate Entrepreneurial culture	0.77	0.50	0.64	11.64	0.03
Corporate proactiveness	0.56	0.43	0.42	7.12	0.00

a. Predictors: (Constant), Corporate Entrepreneurial Risk taking, Corporate Innovation, Corporate Entrepreneurial Culture and Corporate Pro-activeness
b. Dependent Variable: Organizational Performance

The findings established that corporate entrepreneurial risk-taking (β= 0.86, t=11.93, P < 0.05), corporate innovation (β= 0.85, t = 5.00, $p < 0.05$), corporate entrepreneurial culture (β= 0.77, t=11.64, $p < 0.05$) and corporate proactiveness (β= 0.56, t = 7.12, $p < 0.05$) had a significant and positive influence on business performance. The finding were similar to that of Wand (2010) who revealed that risk-tolerant and innovative firms' contributed to innovation and business improvement improving firm performance.. The finding also supports those of Baumol (2010) who found that pro-activeness gives firms the ability to present new products or services to the market ahead of competitors, which also gives them a competitive advantage and improve firm performance. The findings concurred with Kuratko, Ireland, and Hornsby (2018) who found that corporate entrepreneurship activities in a large firm resulted in risk taking, improvement in innovativeness, diversification of products and access to new markets, improving firm impressive financial results, competitiveness in the market and achieving high level of competitive advantage.

Conclusion

The findings indicated that corporate entrepreneurial risk taking has a significant positive influence on business performance. The study concluded that corporate risk taking enhances effectiveness of enforcement of the regulations, enhances relationship with shareholders, and enhances investor wealth protection thereby increasing bank performance to a very great extent. Corporate risk taking also increase financing of bank venture, adapting to legal and regulatory environment and high accounting standards and increasing stock market capitalization, avoiding risky value-enhancing investments, diversifying ownership, assessing risk-return rankings and reduction in volatility influencing performance of bank to a very great extent.

The study concluded that bank corporate culture allows employees to bring new ideas and tolerate risk, stimulating innovation, flexibility, adoption of innovation in venturing, creativity, innovativeness and avoidance of adverse risk-taking and flexibility-improving bank's business performance. The study concluded that corporate entrepreneurial culture had a significant influence on business performance. This was exhibited through implementation of financial support systems, the adaptation to financial regulation, implementation of incentive to reinforce risk management behaviour; increased risk management and ensuring bank board are accountable to the shareholders for legal compliance, all influencing business performance in the bank to a great extent.

The results revealed that innovation influenced bank performance to a great extent. Through bank corporate innovation, utilization of mobile banking, online banking, equitel and diaspora banking business performance was enhanced. The finding showed that bank credit cards, mobile banking, internet and agency banking are the financial innovations that had great impact on the financial performance. Marketing innovations had led to improvement of the quality of customer services and products offered by formulating appropriate marketing strategies, which led to cost reduction, improved efficiencies, reach to new customers and improved customer experience hence improving business performance.

This study found that corporate innovations led to efficient technological evaluation, production capabilities and strategic market positioning, influencing business performance in EBKL to a very great extent. The findings revealed that financial capability, developing performance appraisal instruments and systems affected business performance to a great extent. The study concluded that corporate innovations enabled continuous quality improvement, introduction of new products and services, upgrading of the existing systems as well as introduction of new software for business operation and introduction of agency banking services, improvement in payment solutions, portfolio of merchants in e-payments and collections influencing overall business performance.

The study further concluded that corporate entrepreneurship achieved business performance. The results indicated that corporate entrepreneurship had led to increasing in bank market share, Increase in bank profits, increased customer base and increased in return-on-assets. Corporate entrepreneurship was also found to lead to increase in net profit, improvement in disbursement of loans volumes and quality product development and reduction in employee turnover. The study concluded that bank pro-activeness has led to diversification of bank corporate services, enhance strategic alliance, improved mergers and acquisitions and introduction of new bank products influencing business performance to a great extent .This is because pro-activeness led to increased involvement with the community, mobile virtual network services, diaspora banking and loan restructuring to a great extent.

Recommendation

The study investigated the relationship between corporate entrepreneurship and business performance focusing on EBKL. The study recommends that a further work should be carried out to establish other corporate entrepreneurship factors influencing business performance in EBKL. This would provide a broad based analysis and policy formulation across the financial market. A study could also be undertaken to investigate challenges affecting bank in embracing corporate entrepreneurship. Further works should be done to cover the entire banking industry in Kenya with a view of establishing the business performance inhibitors that have led to collapse of some of the banks and poor performance for the majority of the banks.

In addition, future research should be carried out to test corporate entrepreneurship dimensions in other industries such as (manufacturing sector, insurance sector etc.). This will allow for comparisons between industries that have and have not embraced corporate entrepreneurship dimensions. The increased number and variety of industries could provide the opportunity to identify a number of different industry effects ranging from competitive intensity to stages in the product-market lifecycle and how they affect financial performance.

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