CHAPTER THREE
RESEARCH METHODOLOGY

3.1 BACKGROUND TO RESEARCH METHODOLOGY

This section describes the methodology of the study, beginning with an overview of the research design. This section will start off with a description of the selected method and its effects on this study. This will be followed by the research framework, case site and sample questions in the next section. Descriptions of the processes that will be used in data collection and selection of the organisation will be presented within this section.

The construct of interest in this study is the entrepreneurial culture, and the unit of analysis in the case is the organisation. The main population of interest is a South African organisation.

3.1.1 Methodology

Lubbe (1996) has stated that methodology is a social subject in conducting research to provide a foundation for the researcher to affirm the validity of the findings. He further notes that scientific understanding is achieved through constructing and analysing models of the segments or aspects of reality under study. These models, however, do not give a mirror image of reality, but focus on selectively choosing elements for investigation that are decisive.

3.1.2 Qualitative research

The underlying research method that will be adopted in this research is that of a qualitative nature, with the main objective being to improve and further understand the phenomena under investigation, from literature, the point of view of the researcher and from an organisational perspective. For this study, theory, as an interpretive lens, can profoundly influence the capacity to understand the phenomena under investigation and new areas of study, like those within the entrepreneurship field.

3.1.3 Research method

Myers (1997) defines a research method as a strategy of inquiry which moves from the underlying philosophical assumptions, to research design and data collection, and is influenced by the philosophical stance adopted. There are four research methods according to Myers (1997) which can be deployed, namely action research, case study research, ethnography and grounded theory. The research methodology that closely matches the context and circumstances of the researcher is the grounded theory, since the established literature consulted does not provide a combined theory model that explicitly explores the manner in which culture can affect the entrepreneurial process.

3.1.4 Grounded theory

Glaser and Strauss (1967:37) define grounded theory as:

> "An inductive, theory discovering methodology that allows for the theoretical development of the general feature of a topic, while simultaneously allowing for systematic collection and analysis of data through empirical observations or data."

According to Glaser and Strauss (1967) theories are either deduced from logical assumptions or generated from observation. Grounded theory is a qualitative approach that generates theory from observation. It provides the structure often lacking in other qualitative approaches without sacrificing flexibility or rigour. The resulting theory is an explanation of categories, their properties, and the relationships between them. The results lead to an evolutionary body of knowledge that is grounded in data (Calloway, 2001).

Grounded theory begins with research questions. Within those questions, the task of the researcher is to understand the issues surrounding the research variables and what or who the players are and how they manage their roles. This will mostly be done through observations, conversations and in-depth interviews (Glaser & Strauss, 1967).

Regular and continuous comparison is the heart of the process of the grounded theory methodology. The researcher compares interview (or other data) to interview (or other data). When theory emerges from this process, that data is then compared to theory found in the literature.

What most differentiates grounded theory from much other research is that it is explicitly emergent. It does not test a hypothesis. It sets out to find what theory accounts for the research situation as it is. In this respect it is like action research: the object is to understand the research situation. The aim, as Glaser (1995) in particular states it, is to discover the theory implicit in the data. Literature forms part of this data.

Organisations are often spoken of as having cultures, even though the degree to which organisational culture is the same as societal culture is a matter of debate. With particular reference to this study, grounded theory is the appropriate tool for studying organisational cultures, and will assist in explaining the phenomena under investigation whilst developing theory based on the data (Glaser & Strauss, 1967; Martin & Turner, 1986; Orlikowski, 1993; Strauss & Corbin, 1990; Turner, 1983),

3.1.5 Appropriateness of grounded theory as a methodology of choice

"Human beings act toward things based on the meaning that the things have for them; the meaning of such things is derived from the social interaction that the individual has with his fellows; and meanings are handled in, and modified through an interpretive process and by the person dealing with the things that they encounter" (Blumer, 1969:2).

It has been suggested by a number of authors that grounded theory has been and continues to be, the research methodology of choice in the qualitatively orientated research fields of medicine, nursing, social work and education (Wells, 1995, Miller & Fredericks, 1999). The common socio-behavioural foundation that these human science research fields share with the current proposed study is the human interaction within an organisational context. This suggests that grounded theory may also be a useful methodology for application in the culture orientated investigation of the corporate entrepreneurship phenomena. It is the degree of grounded theory's practical and theoretical appropriateness as a form of qualitative inquiry into organisationally contexted phenomena that this research is seeking to evaluate.

The importance of utilising qualitative research methods within the entrepreneurship domain has been reinforced by Gartner and Birley (2002:387):

> "It is our opinion that many substantive issues in entrepreneurship are rarely addressed, and that many of the important questions in entrepreneurship can only be asked through qualitative methods."
>
> As Carson and Coviello (1996:53) conclude,
>
> "as the use of qualitative research increases, so too will the range and variety of qualitative methods and tools."

For this study, grounded theory's greatest strengths are two-fold.

- First it permits the investigation of higher level and lower level factors of causation which is critical when investigating and seeking to explain variability in complex human interactions (Miller & Fredericks, 1999).
- Second, as arguably an extension of Mill's (1970) methods of inductive reasoning, grounded theory is a unique form of theory construction (Miller & Fredericks, 1999).

3.1.6 Validity of the grounded theory methodology

Validity testing will be accomplished through the use of two methods of data triangulation; multiple sources of coincident information, and presentation of the proposed model to participants for verification (Denzin, 1970; Yin, 1993; Silverman, 1993).

3.1.7 Limitations of grounded theory methodology

The following issues have been highlighted as challenging issues in the generation of grounded theory:

- lack of clear methodological procedures;
- the danger of violation of the underlying premise in the data analysis process; and
- the production and/or generation of grounded theory is a complicated and time consuming process.

3.2 MOTIVATION FOR QUALITATIVE RESEARCH

3.2.1 Quantitative studies on culture

Among culture researchers, there is disagreement about how organisational cultures and aspects of them can and should be assessed. Pettigrew (1979) recommends a qualitative approach using symbols, language, ideology, beliefs, rituals and myths. However researchers such as Schein, Martin, Ott and Sackman, suggest that culture is best understood by using multi-methods that lead to an in-depth personal understanding of an organisation over time, usually including participant-observation and detailed, open-ended interviews.

Quantitative, survey-based culture studies have been used in culture research for more than four decades. These qualitative measures use multivariate statistics, thus permitting an analysis of the underlying dimensions of culture, and the relationship between culture and organisational outcomes.

Organisational culture influences how members of an organisation view the world in which their organisation exists. This includes implicit, shared values, beliefs and behavioural norms about how the world worlds, what human nature is, how work is or should be organised and on what criteria decisions should be made (Schein, 1992). By taking the quantitative approach, various aspects of the organisation's culture not anticipated in the various instruments available could be missed, thereby missing a great deal that could be captured through the in-depth interview approach that will be discussed later.

3.2.2 Quantitative studies on entrepreneurship

As far as entrepreneurial studies are concerned, researchers have made extensive usage of surveys in order to assess entrepreneurial activities over the years. According to an analysis conducted by Kuratko (1999), results shows that 19% of the studies reviewed have only used mail surveys to collect data, 68% have used mail surveys and secondary data, 6% have employed both interviews and surveys and only 7% have used interviews to collect data. The predominance in using survey data is understandable due to the increasing difficulty of gaining access to top executives in companies and gathering information about the company's entrepreneurial activities.

However, even though the challenges are noted, the danger with the reliance on surveys has well-known side effects such as over-emphasis on the content of entrepreneurial activities, rather than their process, and often creates difficulties in making strong causal attributions. In addition, Kuratko (1999) also notes that within entrepreneurial studies, the usage of survey data might have also contributed to an overemphasis on the formal aspects of entrepreneurial activities, thus overlooking informal entrepreneurial activities and their contributions to a company's performance. As also noted by several other researchers (Drucker, 1985; Pinchot, 1985; Kuratko, 1993; Wortman, 1987; Zahra, 1999), the informal aspects of entrepreneurship can and do play an important role in enriching a company's performance.

Field studies, experiments and more importantly in-depth interviewing can be more revealing about the role of autonomous entrepreneurial activities and the causal attributions (Burgelman, 1991). Leedy and Ormrod (2001) are also in agreement with this and propose that this type of research problem as presented lends itself better to the qualitative research approach.

3.2.3 Qualitative research

Qualitative research as explained by Leedy and Ormrod (2001), is useful for answering problems and questions about the complex nature of systems or organisations, usually with the distinct purpose of describing or understanding the viewpoint of the people intimately involved within the system or organisation of interest. However the output from qualitative research is usually a hypothesis or possibly a "best-guess" answer or explanation, in contrast to a tested hypothesis resulting from quantitative research (Leedy & Ormrod, 2001).

The greatest weakness of quantitative research, namely the inability to account for the self-determining nature of the people in the system of interest, is conversely the main strength of qualitative research. In accounting for human aspects, qualitative research emphasises (Cropley, 2002) discovery, broadly-defined goals, open research questions, emergent conditions, the generation of hypotheses and credibility. The researcher however is well aware of the imperfections that exist within this type of study and the implications on the results of the study. Cropley (2002) admits three possible weaknesses with the qualitative approach, which are:

- **Arbitrariness** – dependence of research method on the researchers creativity and ideas on research design.
- **Lack of proof** – the defiance of objective and statistical procedures.

- **Banality** – stating the obvious, repeating common sense and common knowledge.

However, the difference between the "scientific" qualitative research and the "non-scientific" observation, according to Cropley (2002) is in how the methods are used. The differences between the two are summarised below.

Table 3.1: Differences between qualitative research and non-scientific approach

Factor	**Qualitative Research**	**Non-Scientific Approach**
Organisation of Observations	Conscious, systematic, goal orientated	Casual and Informal
Awareness of distorting factors	Acute awareness	Little or no awareness
Record keeping	Formal, systematic, usually written or electronic	Casual recollection, will include distortions
Analysis	Distinguishes between supported conclusions and speculations	Little or no separation between systematic conclusions and own bias
Generalising	Keenly aware of limits of generalising – usually stated as suggestions for further research	Willing to generalise
Communication	Aim is to describe the procedure and the basis for conclusions	Aim is to persuade others to accept their views, vague details

In observing these differences, it should be noted and recorded that this qualitative approach that will be taken will aim to add value to the field, without merely stating the obvious and applying basic common sense.

Since the approach that will be taken in this research requires an in-depth study of an organisation for a predefined period of time, the grounded theory method will be used (Perry, 2001).

3.2.4 Qualitative research – the approach

According to Leedy and Ormrod (2001:101), qualitative research often starts off with general research questions rather than specific hypotheses and is followed by the collection of an "extensive amount of verbal data from a small number of participants". The subsequent organisation of data into a coherent format and the portrayal of the situation through the use of verbal descriptions are then used to formulate tentative answers to the research questions. The same process will be followed for this research.

The proposed research performed during this study, will have many of the typical characteristics of qualitative research identified by Leedy and Ormrod (2001). The characteristics specific to the proposed research in this specific study are listed below.

Theory-building - The purpose of the research is to help fill a gap in the literature by providing a model that describes corporate entrepreneurship as a process that is also affected by corporate culture.

Developing design - The research process might uncover a number of constructs with regard to the culture behind entrepreneurship, which are unknown to the researcher at the start of this research process. This necessitates a flexible approach to the design of the research. The research will be conducted in an unrestricted manner to allow for the exploratory nature of this research. As the constructs emerge from the process, an analysis will be made within the context of the literature and emergent theory. Multiple perspectives regarding the various aspects of culture might also be revealed and will be included as required.

Role of the researcher – Although quantitative, survey-based culture-measuring instruments do exist in this field of study, for purposes of this study, these instruments will not be used. Data will be collected through the process of intensive interviews and observations. This does mean that the research process might be influenced by the researcher's personal view. The role of the researcher as an instrument in qualitative research can, therefore, not be ignored, in that the researcher's ability to interpret the collected data is critical to the understanding of the organisation. With reference to Rowley (2002), the competence and experience of the researcher determine the success or failure of the research. However, Benbasat, Goldstein and Mead (1987) state that research results depend heavily on the integrative powers of the researcher. The key success factors in this process is the researcher's ability to listen while structuring the discussion, to probe without influencing and to offer comment without imposing unnecessary authority.

3.2.5 Bias

The researcher needs to be as objective as possible in conducting the research and in presenting the findings of the research. Lubbe (1996) concludes by saying that personal bias is so subtle that at times the researcher is not even aware of it. Reason (1988) advocates that it is essential that the researcher maintains critical subjectivity. This involves recognising the researcher's own views and experiences, but not allowing oneself to be overwhelmed and swept along by them.

3.3 RESEARCH FRAMEWORK

The researcher will adopt a four-phase, seven-stage process in order to conduct the research, while following the grounded theory building process. Details on the process are given by Pandit (1996). An additional phase, "Model Development", will be added. This phase will use cognitive mapping process. Details on that phase will be explained in a later section of this research.

Grounded Theory Building Process			
STAGE	**Activity**	**Technique**	**Rationale**
	PHASE 1: Research Design		
1	Define problem statement	Issue analysis	Focuses Efforts, Constrains irrelevant variation and sharpens external validity
2	Conduct literature study (ongoing)	Secondary data collection	Focuses efforts on theoretically useful cases (e.g., those that test and/or extend theory)
	PHASE 2: Data Collection		
3	Employ multiple data collection methods	Primary Data Collection - Interviews	Increases reliability and increases construct validity, Creates synergistic view of evidence
	PHASE 3: Data Ordering and Analysis		
4	Analysis and coding of data into categories	Triangulation, Open Coding	Speeds analysis and reveals helpful adjustments to data collection, Allows investigators to take advantage of emergent themes and unique case features, Develop concepts, categories and properties
5	Comparing findings from interviews to current literature	Secondary data collection	Confirms, extends, and sharpens theoretical framework
6	Interpretation of findings to create theoretical model	Selective coding	Improves construct definitions, and therefore internal validity, Also improves external validity by establishing the domain to which the study's findings can be generalised
	PHASE 4: Model Development		
7	Model Development	Cognitive Mapping	Ends process when marginal improvement becomes small

Figure 3.1: The grounded theory building process

3.3.1 Stage 1: Problem definition

The purpose of this stage is to establish the scope of the research problem. This research aims to understand the process an organisation goes through in creating an entrepreneurial organisation and how organisational culture affects this process. It seeks to understand why an organisation is entrepreneurial and the aspects of culture that assist in making that organisation entrepreneurial. This will require the researcher of this study to gain and insight into the nature of an entrepreneurial organisation that will be the focus of this study.

The outcome of this research will be a systems model that will provide insight into the process of how culture affects corporate entrepreneurship. In order to do that certain things, listed below, need to occur.

- Initially, the mapping variables which will be used to describe the process of corporate entrepreneurship within an organisation need to be identified from the literature.

- Next, the relationships between the identified variables need to established.
- Thereafter, the cognitive model needs to be built, by connecting the variables described above through the presumed cause and effect relationships established above.
- Finally, the cognitive map model will be tested against an organisation to identify either missing variables or relationships within the model.

3.3.2 Stage 2: Secondary data collection – literature study

According to Pandit (1996), the main purpose of the literature study is to obtain a full deep understanding of the secondary data. With the nature of this study being emergent, not all the literature covered above will be sufficient. Relevant literature will be discussed as the study evolves.

To this point, the literature review conducted in a previous section of this research proposal, has highlighted pertinent issues applicable to this study. The literature that was mainly consulted was sourced principally from international journals, which are currently the leading source of literature for this emerging field of study. Local research was sourced where available, especially in areas mainly pertaining to group dynamics, empowerment and job satisfaction studies.

Howeve, with grounded theory, literature is not given a position of privilege when being compared to primary data. It is treated as regular data, with the same status as the other data within the pool (Glaser, 1995).

3.3.3 Stage 3: Primary data collection – interviews

3.3.3.1 Organisation - population selection

The organisation selected for the purposes of this study is the South African banking group, Investec. Investec is an international, specialist banking group that provides a diverse range of financial products and services to a niche client base. Since inception, Investec has expanded entrepreneurially through a combination of substantial organic growth and a series of strategic acquisitions.

Founded as a leasing company in Johannesburg more than three decades ago in 1974, Investec obtained a banking license in 1980 and was listed on the JSE Securities Exchange South Africa 12 years after inception in 1986. It has subsequently implemented a dual listing in 2002, putting it on both the Johannesburg as well the London board. In addition, the company has been able to adhere to local transformation changes by successfully concluding an empowerment transaction which saw a 25.1% stake being acquired by empowerment partners.

The company operates in two principal markets, the United Kingdom and South Africa. Other areas in which they operate include Australia, the United States and Israel. Investec is organised as a network comprising of four key business divisions namely: Investment Banking, Treasury and Specialised Finance, Private Client Activities and Asset Management.

Investec's head office in Johannesburg provides certain group-wide integrating functions such as risk management, information technology, finance, investor relations, marketing, human resources and organisational development. It also has responsibility for the Group's central funding as well as other activities, such as its property business, trade finance and traded endowments operations.

Since 1992, Investec has risen from being a small bank to being the fifth largest bank in South Africa, through the acquisition of more than 25 companies in more than 10 countries.

Firm-level outcomes that have been identified in the literature as important indicators of Investec's entrepreneurial abilities, include the organisation's (1) revenue growth, (2) firm profitability, (3) value creation, (4) the number and value of new products, and (5) the number of acquisitions made from the time they started to the present day (Zahra, 1996; Schoonhoven, Eisenhardt & Lyman, 1990; Knight, 2000).

The next reason for selection of the organisation is due to the researcher's access to the organisation. The researcher has the ability to access Investec's senior executive team, along with its senior management team. In addition to the local South African operations, the extent of reach also includes Investec's international operations, namely the UK office. The access of the local operation also extends to the Cape Town regional office, which mainly hosts the Investec Asset Management office.

Within the organisation's divisions, a sample of executives will be randomly selected. This only includes individuals in very senior levels of management and those who have had at least seven years of working experience with Investec.

3.3.3.2 Sample size

Mitchell (1991) reports that the size of the panel may be as large as time and money permit, while Speed (1991) indicates that 10 to 20 respondents are generally sufficient. Other researchers have noted that the average group error decreases very rapidly as the group is enlarged to approximately eight to ten respondents and over thirteen members. Each additional member above that leads to a very small decrease in group error (Mitchell, 1991; Fusfield & Foster, 1971). The general feeling is that the minimum necessary sample size should be chosen (Tersine & Riggs, 1976) and that a researcher should feel confident in choosing a sample size of ten to twelve (Fusfield & Foster, 1971) as any larger numbers might lead to logistical problems with no improvement in the findings (Story, Hurdley, Smith & Saker, 2001). For the above reasons this researcher aimed to retain at least nine respondents for the full duration of the study. This size was also further determined by the saturation of data. Morse (1994:147-149) defines data saturation as data that is adequate and operationalised when collecting data until no new information is obtained. The repetition of variables identified was a clear indication that data was saturated. In addition, with the methodology adopted, in-depth interviews are less about the number of participants, but more about the depth of the inner world experiences as described by the participants.

All respondents were interviewed in the location of their main offices, i.e. Johannesburg, Cape Town and London, United Kingdom.

Table 3.2: Respondents

(Those marked with an asterisk (*) were identified as required participants, but due to failures in identifying appropriate times for interviews, both in London and in Johannesburg, they were not interviewed. Those marked with a hash (#) were never reached, either due to data saturation and/or unavailability.

Name	**Sector**	**Office Location**	**Position Held**
Stephen Kosseff	General Management	Johannesburg, South Africa	CEO: Investec Limited
Andy Leith	Corporate Finance & General Management	Johannesburg, South Africa	Joint MD: Investec Limited
Hendrick du Toit	Asset Management & General Management	London, United Kingdom	CEO: Asset Management
Kim McFarland	Asset Management	London, United Kingdom & Cape Town, South Africa	COO: Asset Management
Thabo Khojane	Asset Management	Cape Town, South Africa	Deputy MD: Asset Management
Sam Hackner	Private Banking	Johannesburg, South Africa	Joint Global Head: Private Banking
Khumo Shuenyane	Corporate Finance	Johannesburg, South Africa	Head: Direct Investments
Ursula Munitich	Investor Relations	Johannesburg, South Africa	Global Head: Investor Relations
Jose de Nobrega	Treasury and Specialised Finance	Johannesburg, South Africa	Head: Commodities and Resource Finance
Paul Hanley *	Private Banking	Johannesburg, South Africa	South Africa Head: Private Banking
Steven Heilbron *	Private Banking	London, United Kingdom	Joint Global Head: Private Banking
David Lawrence #	General Management	Johannesburg, South Africa	Support: Banking and Institutions
Richard Wainright #	Treasury and Specialised Finance	Johannesburg, South Africa	Regional Head: South Africa
Hugh Herman #	General Management	Johannesburg, South Africa	Global Chairman: Investec Limited
Bradley Tapnack #	General Management	Johannesburg, South Africa	Support: Corporate Governance & Compliance
Mark Currie #	Treasury and Specialised Finance	Johannesburg, South Africa	Head: Financial Products
Bernard Kantor #	General Management	London, United Kingdom	Global MD: Investec Limited

3.3.3.3 Sampling methodology

Purposive sampling methodology was used. This is when the researcher purposefully selects respondents that have both the authority and experience to answer the research questions (Creswell, 1994). Selection is to be made primarily based on the researcher's perception of the ability of the respondents to contribute meaningfully to the research. No attempt at random selection was made due to the nature of the study. As per Leedy and Ormrod (2001), experts were selected who would be expected to give normal perspectives and perceptions. As noted in section 3.3.3.2, selection was also based on the availability and willingness of respondents to be involved with this study.

3.3.3.4 Interview process

One of the main reasons for choosing the grounded theory method for this research is because it allows for the study of people in their natural setting. In defining what the grounded theory method entails, Benbasat, Goldstein and Mead (1987:370) summarises the viewpoints of various authors as follows: "A grounded theory examines a phenomenon in its natural setting, employing multiple methods of data collection to gather information from one or a few entities…. No experimental control or manipulation is used" (Benbasat, et al. 1987:370).

The purpose of primary data collection in the form of interviews was to gain a first hand personal insights from Investec's senior management team, who have been instrumental in building the organisation as it is known today and have a hand in building the entrepreneurial culture familiar to its employees today.

The researcher refrained from using questionnaires, being less personal, which would not have resulted in similar frank and open sharing of views as achieved during the in-depth interviews. The personal constructs as basis for opinions and beliefs of each interviewee would not have been readily captured using an alternative technique, like questionnaires or surveys (Easterby-Smith, Thorpe & Lowe, 1996).

All interviews conducted were face-to-face, to ensure rapport with the interviewee.

3.3.3.5 Discussion outline

According to Walker (1985:4) the interviewer in the in-depth interview is not bound by a rigid questionnaire designed to ensure that the same questions are asked of all respondents in exactly the same way. At most the depth interviewer will carry an *aide memoire*.

This however did not indicate or give impressions that the interviews were unstructured and without organisation. The responsibility of the interview still lay with the interviewer to ensure that various issues were still covered and that the broader issues emerged from the conversations held, without bias being added to the conversations.

3.3.3.6 Details of the aide memoire

In order to ensure that the collection of data was reliable throughout the interview process, it was necessary to develop an interview schedule and also to carry an *aide memoire*. This was done to also ensure that a timely process was followed, and that participants cooperated fully and that questions were answered in a comprehensive manner.

A summary of the issues that make up the *aide memoire* can be seen in **Appendix A**. This only acted as a guide for the researcher, and when various issues come out of the interview, and were not in the *aide memoire*, the researcher was free to explore them further.

The researcher did not use any other instruments to collect data.

3.3.3.7 Data storage

Only a few interviews, with the consent of the participants, were recorded to aid in further analysis of the data collected. The rest of the interviews were not recorded due to the sensitivity of some topics covered and some participants did not want to be compromised. Detailed notes were taken in this regard and these notes were later shared with the interviewee.

At the commencement of each interview, the interviewer reviewed the purpose of the interview and the objective of the research being conducted, without initially revealing the link of culture between entrepreneurship. The objective was clarified at the summation of the interview, to avoid any responses that could be based on what could have been viewed by the interviewee to be the appropriate response.

3.3.4 Stage 4: Data analysis - interviews

Data analysis is central to grounded theory building research and forms a crucial part of the research process. The nature of the data does not enable easy, simple analysis (Rowley, 2002) and relies heavily on the integrative power of the researcher (Benbasat, et al. 1987). In addition, data analysis in this research method does not follow the typically linear phases where analysis only starts once data collection has been completed.

The technique that was used is called open coding. Coding, as Pandit (1996) explains it, is the process of conducting a line-by-line analysis of the interviews, labelling and categorising the themes that emerge into broad categories. The literature study provides the framework for identifying these broad categories.

The data analysis was performed using the eight steps identified by Cresswell (1994:154) which are referred to as decontextualisaiton and contextualisation. The analysis process according to Cresswell (1994:154) consists of “taking apart” into smaller pieces and the final goal will be the emergence of a larger consolidated picture.

The researcher applied the steps listed below in this research.

1. The researcher gained a sense of the whole picture by reading through the notes collected in the interviews. Information which was recorded was transcribed and systematically reviewed to assess variables.
2. The researcher went through the notes of each interview. As the researcher read through each interview, she made personal notes to herself and tried to identify key issues and underlying constructs. Thoughts that came to mind were written down for later reference.
3. Once all interview notes had been reviewed and assessed, all variables were analysed. Those that were duplicated were noted as such and additional variables were added.
4. Similar concepts were clustered together and were arranged as major variables, unique variables and left-over (unfitting) variables. Sometimes certain variables were given more acceptable labels, using the theory already generated from the literature review.
5. Returning to the data, topics were abbreviated as codes next to the appropriate segments in the text.
6. The data was then organised on a chart and a basic model emerged.
7. Using the “un-ordered” model, the researcher tried to identify better descriptive words for various variables. These variables were also further reduced to groupings that related to each other.
8. The researcher then made an attempt, based on the interview notes, to identify the inter-relationships between the variables.
9. The researcher then assembled the data and a preliminary assessment was done according to Cresswell (1994:154).

In addition, a watered down approach was adopted (Easterby-Smith, et al. 1996), with data from interviews tabulated in MS Excel, with categories on a vertical axis and the interviewees on the horizontal axis. Responses from interviewees were compared (Pandit, 1996) to the literature study to confirm the correlation between the interview responses and the literature study.

Care needed to be taken not to misinterpret finding from the interviews, especially where concepts and principles were identified in the literature study, but were not verified or confirmed by the interviews. This does not imply that these concepts should be ignored, because no interview or technique can be expected to cover every situation or concepts completely, irrespective of the length of the interview.

Due to this and in order to cross-check these concepts, the researcher felt it was also necessary to consult the services of an independent coder who was an experienced Organisational Design specialist. The independent coder analysed the data separately from the researcher. Thereafter meetings were held for consensus discussions.

3.3.5 Stage 5: Comparison to literature study

Constant comparison focuses on “the simultaneous conceptualisation and assessment of the similarities and differences in social interactions” in search of a "core idea that could explain variability in interactions" (Wells, 1995:33). This process of data collection, data analysis and hypothesis, as shown in Figure 3.2**,** is interrelated and cyclical, in that each may influence the other.

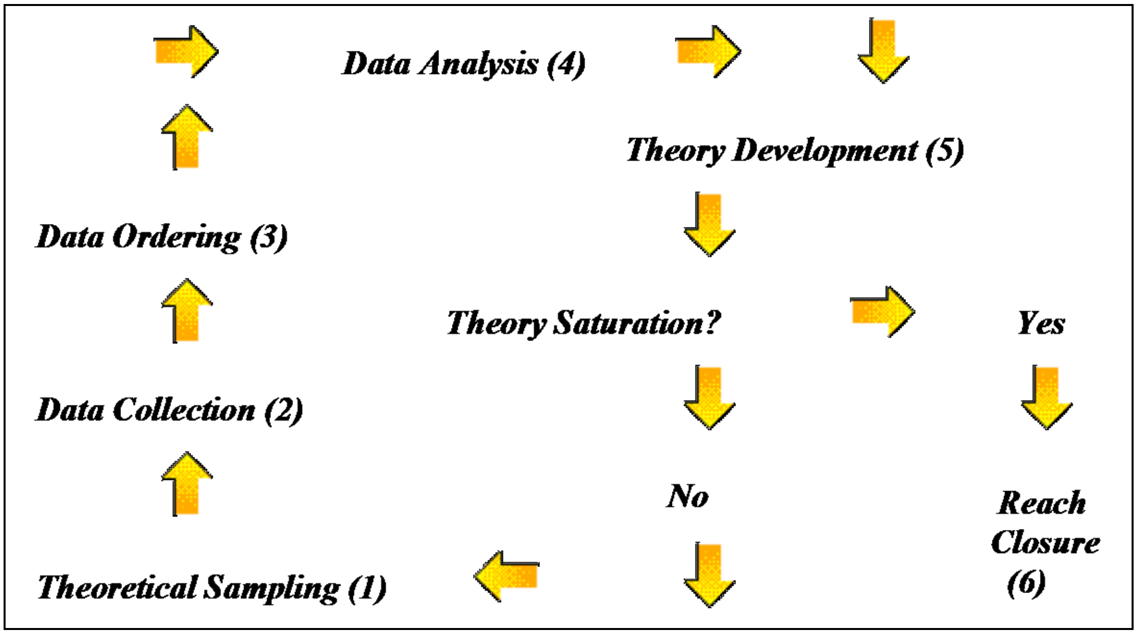


Figure 3.2: The interrelated processes of data collection, data ordering, and data analysis to build grounded theory

Within this general framework (Pandit, 1996), data analysis for each case involves generating concepts through the process of coding which, "represents the operations by which data are broken down, conceptualised, and put back together in new ways. It is the central process by which theories are built from data" (Strauss & Corbin, 1990:57).

Literature control was conducted for the purpose of re-contextualising. Literature control examined trends and similarities in the phenomenon under study. This was through the identification of similarities and differences and also the significant unique contributions made in this research by the existing literature relevant to this research. It was also useful to look at the implications of the findings in terms of future implications (Field & Morse, 1985).

The results of the research were discussed on the basis of studies related to the subject of this research. A summary of the identified central and associated variables will be highlighted in the next section of this research report.

3.3.6 Stage 6: Interpretation

Once the core ideal was identified, new data on interaction was sought to "confirm and disconfirm the elaborated concepts and the relationship among them" (Wells, 1995:33). This is called “theory delimitation” (Wells, 1995:33). This process continued until no new insights into these relationships in terms of the core idea or dimension were revealed. “Theory definition”, formed the final part of the stage. The resulting grounded theory is intended to be a rich, "powerful and parsimonious explanation" of the investigated phenomenon (Wells, 1995:33). The better view seems to be that, as it is a form of inductive reasoning, once a theory (model) has been arrived at, the process itself is complete and testing of the theory (model) is not required to confirm its status as a validly grounded theory (Miller & Fredericks, 1999).

3.3.7 Stage 7: Model development

Building a theory entails the following elements; concepts, statements and theories, (Walker & Avant, 1995:23). In order to articulate a model, the researcher needed to go through well-defined theory generative steps according to Chin and Kramer (1991). These included the following elements: identification of the purpose of the model, analysing, classifying and defining variables, and identifying relationships between the variables, describing the model in terms of structure, process and how the model would be operationalised in practice. These elements will be discussed in the next section under findings.

3.3.7.1 Building the model

The outcomes of this technique, the cognitive maps, will result from the in-depth interviews and the material that arises from those interactions. The cognitive mapping technique is the process of capturing the language of the respondents by netting distinct phrases from the interview and giving each map a highly individualised flavour.

Cognitive maps contain two basic elements: concepts and causal beliefs (Axelrod, 1976). Concepts are variables that define some aspects or characteristics of the system under analysis, while causal beliefs describe the relationships that link concepts within maps.

When a cognitive map is drawn, concept variables are usually represented by points and the causal relationships by arrows connecting the cause variable to the effect variable. Phrases from the interviews will be the puzzle pieces of the map, with directional arrows connecting the pieces together. Causal relationships may be assigned a direction and value. According to Cropper (1990), the direction of the arrows may infer causality but more likely preserves little more than the pattern of reasoning about a problem in a way that linear text cannot do. On the other hand, the lines without arrows represent a "connotative or non-causal link" (Jones, 1985:60). Values indicate the strength of the relationship and are sometimes used to quantify the maps. However, in the case of this research values will not be placed on the relationships. A completed model provides a graphical representation of the structure of the system under analysis that includes the variables within the domain, as well as the relationships between them that influence system processes and outcomes.

In the cognitive maps, the respondents will not be named; neither their positions nor their business areas, due to the small size of the respondent pool. Context should be drawn, bearing in mind that all respondents occupy very senior management positions, with significant decision making powers.

3.4 VALIDITY, RELIABILITY AND TRUSTWORTHINESS

3.4.1 Validity

Leedy and Ormrod, (2001) describe validity as the extent to which an instrument or tool measures what it is supposed to measure. The researcher is of the opinion that full access was gained to the knowledge and meanings of the information gathered. Adequate care was taken to gather data, analyse it and draw reasonable conclusions.

3.4.2 Reliability

"Reliability is the consistency with which a measuring instrument yields a certain result when the entity being measured hasn't changed" (Leedy & Ormrod, 2001:31-32). It is extremely likely that different researchers may make similar observations on different occasions.

3.4.3 Trustworthiness

Lincoln and Guba (1985:289-331) outlined strategies of trustworthiness which were utilised to ensure trustworthiness. The strategies that appear below.

1. Truth value

Credibility was ensured utilising an independent interviewer and an independent coder. The interviewer is an expert interviewer, having more than seven years of management consulting experience which has exposed her to senior management and equipped her with strong interpersonal skills with particular relation to senior management engagement.

2. Applicability

Transferability was ensured by dense description through the complete description of the methodology.

3. Dependability

Consistency was ensured by a dependability audit through the external coder of data gathered in this phase.

4. Neutrality

Confirmability was ensured by consensus discussion between the researcher, the independent coder and a field expert in Organisation Design.

In addition to the above, selected executives of the company and the participants were informed of the outcome of the research prior to the finalisation of the research report so that the trustworthiness of the findings was ensured.

3.5 TRIANGULATION

The research employed other different data collection methods, such as semi-structured interviews with other employees, field notes and observations. Several sources for defining variables and concepts were employed and utilised. In addition, throughout the data gathering exercise the researcher engaged with an industry expert to explore and verify findings.

3.6 CONCLUSION

This section broadly discussed the research design which entailed the model generative design. It was followed with the discussion on the descriptive, exploratory and contextual approach to be used in the research. The manner in which interviews were conducted and data analysis performed have also been discussed. This section also covered the method by which the model would be developed. In conclusion the trustworthiness and reliability of the study was also explored.

The following section of this research will discuss the results and the literature control.

CHAPTER FOUR
RESEARCH FINDINGS

4.1 INTRODUCTION

This section presents the findings from the interviews conducted. The structure of this section will follow the lines of the development of the model. The main purpose of the interviews was to obtain a primary account on the process and variables that influence corporate entrepreneurship.

The resultant findings from the interviews are indicative of the subjectivity and unique personal experience of each interviewee. In some cases interviewees corroborated certain aspects of literature, however in other instances, new concepts were introduced. In some other cases, various matters which were identified during the literature study were not corroborated during the interviews. These have not been interpreted as being less important and were considered in the final development of the model. The variables identified from certain interviews have been selectively incorporated as part of the findings of section 4, to expand and build upon the insights gained from the literature study. The final model will incorporate findings from both the literature study and the primary research conducted.

4.2 OPERATIONALISING THE FIELD RESEARCH

Permission to conduct the research was obtained from the company's CEO (Annexure 4 – *to be added*) before any of the management team were approached. The interviewer took the time to explain to the participants the purpose of the interviews prior to conducting the interviews and also seek permission to conduct the interviews. Verbal permission was also obtained from each participant to use the material covered in the interview, unless any material was indicated during the interview as being classified.

It was crucial to this research that the participants' inner world experiences of the company culture were obtained and their voluntary participation was essential in achieving this.

Interviews were held between 5 September 2005 and 23 February 2006, at the Investec offices in Johannesburg and Cape Town, South Africa, as well as the London offices in the United Kingdom. Expenses incurred in these data collection phases were incurred by the researcher.

Due to the seniority of the interviewees, it frequently happened that the participants had difficulty in relating and expressing their views without going into details. Therefore the interviewer had to ensure them that confidentiality would be maintained and that transcripts of the conversations would not be published and that only the variables, concept and relationships between these variables would be drawn from the conversations. This had a tremendous impact in the manner in which they subsequently opened up and related their experiences more openly and delved deeper into the manner in which various situations unfolded and the way in which decisions were then subsequently made. Had the guarantee not being made that transcripts of the interviews would not be published, there might have been a less rich description of their experiences.

4.3 PROCESS OF ANALYSIS

Data analysis was done using the eight steps of decontextualisation and contextualisation outlined by Cresswell (1994). This process has already been described in the previous section.

The researcher commenced with analysis by writing words and phrases representing the participants' internal world of experience of company culture.

Further sub-categories were developed as the analysis proceeded within the framework of the universal categories. In this way, new categories which had not been previously identified, were subsequently developed.

4.4 FINDINGS FROM LITERATURE REVIEW

4.4.1 Literature review conclusion

Research into the nature of corporate entrepreneurship has grown tremendously through the last quarter of a century. There is an abundance of literature that expands on the importance of creativity and innovation in keeping an organisation healthy, viable and competitive. Drucker (1985) noted that entrepreneurship operates through the tool of innovation. It is a discipline that he says can be learned and developed (Drucker, 1985). At the same time, some of the most significant findings suggest that this innovation, which can lead to entrepreneurship, is closely associated with the environment.

As also noted by Carrier (1993), strategy and entrepreneurship literature has recognised the importance of continued innovation and an emergent body of literature seeks to identify the conditions required for entrepreneurship to occur within corporations. Encouraging innovative activities within a company involves assessing current strategies, current culture and the fit in creating an entrepreneurial climate, whilst also evaluating the results of these initiatives. However, a relatively smaller body of research exists which focuses on the organisational characteristics and a process that encourages a culture that leads to innovation, ultimately leading to an entrepreneurial climate. Given the relevance of organisational culture to innovation and hence an entrepreneurial organisation, the managerial and human resource practices associated with developing an innovation and entrepreneurial supportive culture become the subject of research interest. As Woodman, Sawyer and Griffin (1993:316) note, “we know little about the process of how organisations successfully promote and manage the individual and organisational creativity and innovation”.

From this literature review, it can be seen that various researchers of corporate entrepreneurship agree that internal organisation factors, which make up the culture of the organisation, are deeply related to entrepreneurial outcomes and the process itself, at both the societal and organisational level. In fact, it can be deduced from the literature that the most important barriers to entrepreneurship are non-economic and that what does matter is culture. Nonetheless, what cannot be claimed however is the process of how that culture affects entrepreneurship, as little evidence is made evident on the various relationships between explicit variables and the feedback loops they have on each other. In order to study the relationship between organisational culture and entrepreneurship, the method that will be used to develop the systems model will be deeply embedded in theory that has already been laid out, by researchers such as Morris (1989), Cornwall and Perlman (1990), Covin and Slevin (1991), Russell and Russell (1992, 1999), Sathe (1988) and Winslow (1990), Zahra (1991, 1993, 1999), to name but a few.

From the literature, various variables were strongly identified, and these are summarised in the following two tables. These variables will form part of the building blocks of the model.

4.4.2 Summary of variables identified in the qualitative and quantitative studies

Table 4.1: Summary of variables identified in qualitative and quantitative studies

	Qualitative Studies						Quantitative Studies		
Variables Identified	**Cornwall & Perlman**	**Winslow**	**Ekvall**	**Sathe**	**Morris**	**Zaltman et al**	**Siegel & Kaemmerer**	**Russell & Russell**	**Kuratko, Montagno & Hornsby**
Boldness		Spontaneity	Dynamism	Delegation and Control	Proactiveness			Opportunity Recognition Norms	
Tolerance of Creative Deviance	Emotional Commitment	People Impertinent	Ideal Support	Insubordination			Tolerance for Differences		
Underdog Assertiveness	Earned Respect Emotional Commitment	Passion						Championing Norms	
Work Meaningfullness	Value Wins(people) Leadership at all Levels	Getting the job done Leaders Trust Competence	Challenge Freedom Idea Time	Self Selection Instrinsic Motivation Delegation and Control			Personal Commitment		Managerial Support Organisational Strucfure
Risk Taking	Risk		Risk Taking	Learning from Failures	Risk Taking and Tolerance of Failure		Support for Creativity	Creativity Norms Tolerance for Failure Norms	Organisational Structure Resource and Reward Availability
Open Communication			Trust and Oppenness	Open Communication				Information sharing Norms	
Cooperation	People		Conflicts						
Proactive Innovation	Relentless attention to Value Wins Customers	Concern with products			Commitment to Innovation Proactiveness		Support for Creativity	Value for Innovation Norms Implementation Norms	Time Availability
Voice		Leaders Trust Competence	Debates					Open-minded consideration norms	
Fun	Work is Fun	Spontaneity Experiment	Playfullness Humour						
Precipitating Events								Environment	
Organisational Structure								Organisational Structure	
Organisational Factors									Managerial Support Organisational Boundaries
Control									Autonomy/Work Discretion

4.4.3 Summary of variables identified in theoretical models

Table 4.2: Summary of variables identified in theoretical models

Variables Identified	Model Studies				
	Guth & Ginsberg	Slevin & Covin	Zahra	Lumpkin and Dess	Barrett & Weinstein
Entrepreneurial Posture	Strategic Renewal	Strategic Philosophy	Entrepreneurial Posture	Entrepreneurial Orientation	
Strategic Leadership	Characteristics, Values/Beleifs, Behaviour	Top management values and philosophies	Managerial Values	Organisation Factors	
Firm Performance	Effectiveness, Efficiency, Job Satisfaction	Firm Perfomance	Financial and Non-Financial	Sales growth, profitability	Business Performance
External Variables	Environment	Industrial life cycle changes, Technology sophistication, Precipitating Events	Hostility Dynamism Munifiscence, Heterogeneity	Dynamism Munifiscence Complexity	
Internal Variables		Organisational Structure, Business Practices	Organisational Structure	Organisational Structure, Strategy, Size, Strategy-making process, Firm Resources	Facilitating Influences
Entrepreneurial Orientation		Proactiveness, Risk Taking	Proactivessness		Flexibility
Market Orientation	Innovation/Venturing	Hostility Dynamism , Competitve Tactics	Competitive Approach, Initiative Venturing, Acquisitive Venturing, Opportunistic Venturing		

4.5 FINDINGS FROM THE INTERVIEWS

Investec prides itself in the way in which it manages the organisation. Its strategic goals and objectives are based on the aspiration, shared by most of the senior management.

4.5.1 Variables identified

The following variables were identified by the participants in the company, as variables that assist in providing a description an entrepreneurial culture and how it is formed.

4.5.1.1 Respondent 1 – Variables and model

Variable 1 - <u>Deliberate strategic focus</u>

> "*Our strategic goals and objectives are based on the aspiration to be recognised as a distinctive specialist banking group. This distinction is embodied in our entrepreneurial culture …"*

Variable 2 – <u>Strong risk management discipline</u>

> "*It is paramount to the day-to-day operations and the way we run our business that we be effective in the management of our risk …all our entrepreneurial activities are managed with this in mind …. However, no matter how careful we try to be, we understand that we cannot succeed by being too risk adverse … we see risk as something to manage and not something to avoid … "*

Variable 3 – <u>Strong client-centric approach</u>

> "*Our business is focused in such a way that ensures that we are able to meet the changing needs of our clients and that we extend the way in which we approach investment in our firm to our clients …"*

Variable 4 – <u>Quality of our people</u>

> "*We take great pride in our people, because they are the ones that eventually execute on our strategy. Our selection process is therefore very stringent and we ensure that we entrench the culture that we operate into our new recruits …this is done all over the world in all our office …I personally make sure that I try to attend all the induction sessions in all our offices …Our culture is not accidental …we take a lot of effort in ensuring*

that we develop it, maintain it and that it is continually changing with the times ...”

Variable 5 – <u>Resource provision</u>

“*We try to maintain a sufficient level of capital in the business.. This is not just to satisfy regulatory requirements, but also to ensure that we are always in a position to take advantage of opportunities that may arise and be brought to our attention ...”*

Variable 6 – <u>Tolerance for failure</u>

“*When a mistake is made, we don’t want people to wallow in it ... we encourage people to acknowledge that the mistake was made and that corrective measures need to be put in place ... learn from it and just move on ... and oh ... don’t repeat it (chuckle)”*

“*When we realised that ‘America’ was not working, we did not have time to identify who made the mistake and engage ourselves in a finger-pointing exercise. Instead, we pulled together as a team and worked bloody hard to get ourselves out of the mess ...in the end we all learnt a very valuable lesson and the whole experience brought us more closer as a team ...”*

Variable 7 – <u>Structure</u>

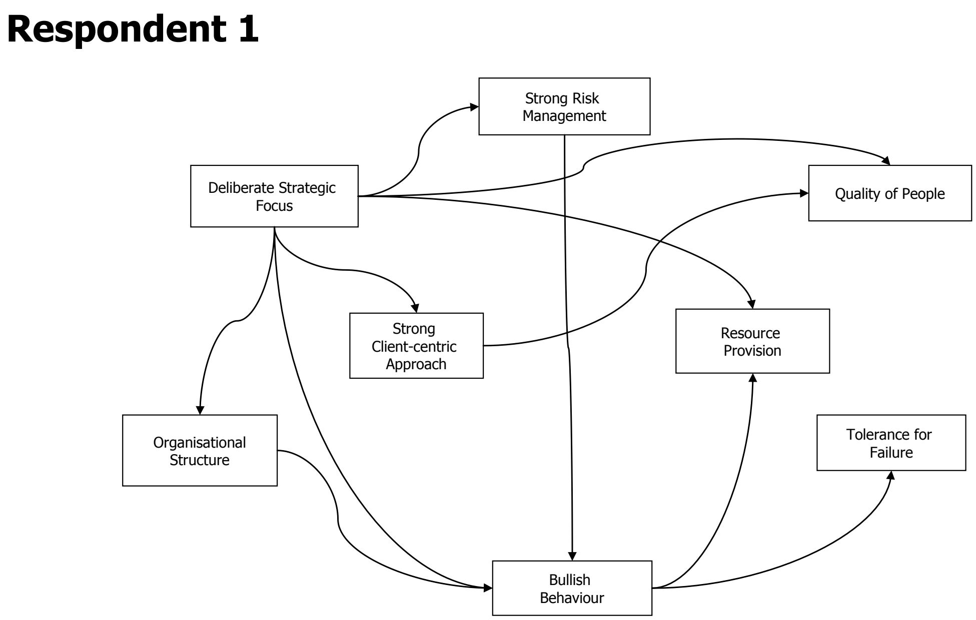
“*...because our strategy is to be niched, we try to not be all things to all people ... we take the same approach in our people. The entire organisation cannot be entrepreneurial, otherwise it would be chaos ...”*

“*...to truly support the entrepreneurial culture of the organisation we view the organisation more like a soccer team, with everyone having their own* *strategic role to play … to support the strikers (the entrepreneurs), there needs to be a strong defence team, which we see as the risk management component. This is critical to Investec because it allows us to be able to pursue opportunities knowing we have covered every angle possible. Most people believe that being entrepreneurial means you must be able to tolerate risk. I believe being entrepreneurial means you need to manage your risk. The next most important area is the mid-fielders … the individuals that actually get the work done and ensure that the animal keeps moving … having all this in place, the entrepreneurs are well supported and free to pursue opportunities, knowing fully well that they are supported …"*

Variable 8 – <u>Bullish behaviour</u>

"*There was a time in the market when analyst thought we were a bunch of cowboys in a rodeo show … and to be honest we did challenge the status quo because of our vision to create something unique for the market … first for South Africa and now the world …however our actions have always been within the risk framework I spoke of earlier … and now those same analysts see our past behaviour as cutting edge and 1st world thinking … so instead of us being industry followers, we saw it fit to rather be industry leaders and craft our own path instead of walking down someone else's one …"*

Respondent 1 model



Comments with regards to Respondent 1 Model

From this model, the following observations and insights listed below were gathered by the interviewer.

- Deliberate strategic focus guide the risk appetite of the organisation, along with the control mechanism they take in mitigating that risk.
- Deliberate strategic focus guides the selection of people into the firm. This depends on the cyclical nature of the business and industry, as well as the growth focus of the organisation.
- Deliberate strategic focus provides motivation behind the decisions made to provide resources to identified projects.
- Deliberate strategic focus provides the rationale behind the need to have the strong client-focus approach.
- Structure follows strategy – The structure that is implemented by the organisation is one that supports the overall strategy.

- The strategy developed by the bank to be niche-orientated and differentiated has led to some of the bullish behaviour and the successes of the organisation.
- Having an effective structure could increase the ability of the organisation to be bullish in its behaviour.
- Strong risk management systems and structures also make the organisation bullish in its actions.
- The strong client-centric approach of the organisation drives the need for the organisation to ensure that it continuously manages its talent and hires the best people.

4.5.1.2 Respondent 2

Variable 1 – <u>Partnership and focus</u>

> "*We encourage internal partnerships between business units, smaller teams and individuals …at the core of these partnerships are internal networks that use the skills across our business…these close partnerships ensure we all have the same idea of success and that we all strive towards the same goal → to be a differentiated and niche bank, providing exceptional service … we live this value through our culture …"*

Variable 2 – <u>Opportunistic</u>

> "*Sometimes I believe that our success has been as much about hard work as it has been about luck and opportunities in the market … but what I think has differentiated us from the market is the way in which we view opportunities … for instance in one are of our business we decided to pursue opportunities in a region that is historically seen as a no-go area .. however we used our own observations and analysis to prove or disprove market thoughts, instead of just going with the general thought … for instance, when we went to London, everyone thought we would fall flat on*

our faces … however the past 4-5 years have assisted us in building a brand that is becoming known in the internal finance industry as a brand to take on other bigger brands, like Merryl Lynch, Morgan Stanley etc …. Particularly in the Private Banking arena …so if we had just followed what the market said, we might still be sitting here at home, fighting for a piece of a cake … instead, we built our own cake …"

Variable 3 – Balanced leadership

"*As the head of our unit, when we decided to move to the UK, I was tasked with setting up the office and managing the entire affair. Everything was my call. When one is given that responsibility you ensure that you do good by that call of faith … I do the same with my leadership team and entrust them with responsibilities and hold them accountable … However, when I left, the business at home suffered and first instances were to rescue it, but I realised that just as I had to find my feet, so did they … and they had to learn through their own mistakes … if they however initiated the need to have me involved, I availed myself, but that call I left it to them … and now the unit after a couple of mishaps they suffered are now performing well above their peers in the market and every individual in that unit is a highly marketable person, but because of the successes they have achieved together, they choose to remain with the winning team in order to develop more successes…"*

Variable 4 –People election

"*The people recruited into Investec are selected very carefully …typically this is to ensure that the person coming into Investec can fit into the culture, more than a test of the individual's skills …"*

Variable 5 – <u>Financial support and provision</u>

"*Our strategy is clear … we want to be recognised as a leading, distinct and specialist wealth generator … and we will support initiatives that assist us in reaching this goal sooner rather than later…we are also not shy to invest in new specialisations in order for us to achieve this …"*

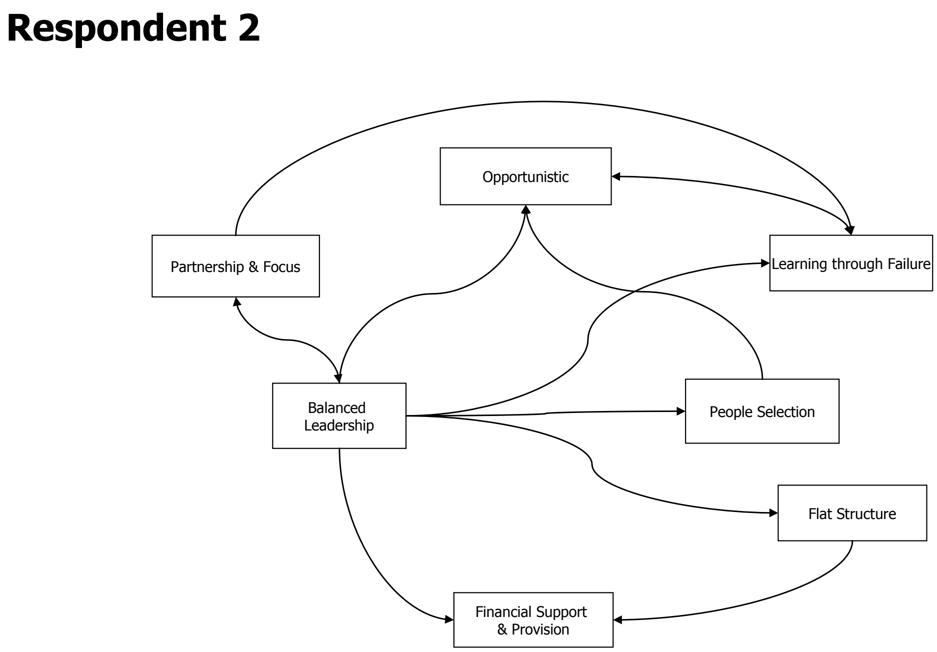
Variable 6 – <u>Learning's Through Failure</u>

"*Because of the entrepreneurial approach of the firm, and despite the care that we sometimes take in ensuring success, sometimes conditions outside our control create a situation that leaves us in an unfavourable position … at times we have taken the approach of wait and see … which has worked at times and sometimes not … and so as the management team we had to made the difficult decision to pull out of a business focus area … an assessment of the 'failure' of the situation made us re-evaluate our actions, what we missed, how we can improve a similar situation in the future etc …"*

Variable 7 – <u>Flat structure</u>

"*…titles and closed offices is something we don't believe in … we want staff to be as close to management as possible. Anyone in the company can call Stephen (Kosseff) at any time … well not 'anytime' … but he is very accessible to anyone who would need to get hold of him … and this is the same view we have of any management and executive … no one is a sacred cow here …"*

Respondent 2 model



Comments with regards to Respondent 2 Model

From this model, the observations and insights listed below were gathered by the interviewer.

- Balanced leaderships supports initiatives with financial resources by ensuring that divisions all have the same idea of what success looks like and share in the risks taken by the organisation. This also contributes to the manner in which failure is viewed and tolerated in the firm, due to the inclusive and consultative manner.
- The structure of the organisation leads to uncomplicated decision making process.
- A balanced leadership approach with very little hierarchical systems lends itself to sharing of knowledge which facilitates and reinforces cultural practices across divisions.
- A balanced leadership approach also leads to more tolerance with regards to failure, as well the selection of people within the firm.

4.5.1.3 Respondent 3

Variable 1 – <u>Competitive and rewarding remuneration</u>

> "*Although money should ultimately never be the only driving force for performance, we understand that people are also motivated by satisfying reward schemes that recognise their achievements. Investec's approach to this is one that motivates employees to be innovative, entrepreneurial and excel in their given areas ...individuals are rewarded on an individual level"*

Variable 2 – <u>Open communication</u>

> "*Our commitment to open dialogue unpins the importance we place on the openness of the environment ... we believe that its important that people feel comfortable in discussing issues, without them feeling that they have committed a career limiting move, as its commonly known in the industry ... and organisation cannot move forward if individuals within it cannot voice their concerns ... I believe that us deploying the services of an independent OD specialist group to ensure that we continuously assess the healthiness of our environment, goes a long way in ensuring that we maintain this healthy practice of open dialogue ..."*

Variable 3 –<u>Talent management</u>

> "*The way in which we recruit our people is through inducting them through the interviews ... we always try to ensure that the person meets as many people as we can logistically arrange during the interview stage ...the reasons for this is to give us the opportunity to expose the individual to as many people as possible and for them to do a fitness test for the culture*

…it's a long and arduous process, but its what has predominantly upheld the culture we have.. Sometimes we get it wrong though, and although the individual could be technically strong, we sometimes find that they find its very difficult for them to survive the culture …"

Variable 4 –<u>Appropriate risk management</u>

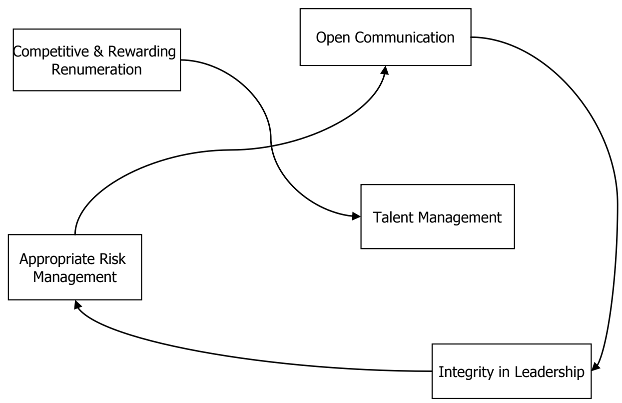
"*In the pursuit of us supporting projects and initiatives we believe can assist us in putting us in first position, we seek to differentiate ourselves by leveraging core competencies in risk management to create, hold and provide excellent service to our clients …"*

Variable 5 –<u>Integrity in leadership</u>

"Its important that your colleagues, senior and junior believe in you and you in them … and the only way to do that and to encourage them to be their best is if you do your best in ensuring that you keep honest and truthful in your dealings with them and maintaining your integrity, even when it becomes uncomfortable for you …this is a competency that good management must learn if they want to release the best in their people … its not easy … but you will learn soon enough that the results are well worth the effort …your staff trusting in you in such an invaluable trait … "

Respondent 3 Model

Respondent 3



Comments with regards to Respondent 3 Model

From this model, the observations and insights listed below were gathered by the interviewer.

- The appropriate management of risk improves the ability of management to facilitate a culture of openness within the organisation.
- The ability to foster a culture of openness reinforces the integrity of leadership, which in turn can consistently increase the ability of people in the organisation to be open.
- Competitive and rewarding remuneration schemes provide the management with tools to manage their talent effectively.

4.5.1.4 Respondent 4

Variable 1 – <u>Competitive incentive schemes</u>

> "*Individuals at Investec are rewarded on an individual level .. although team work is something that is also measured … the reward structure is one that encourages outstanding performance where you are benchmarked on*

*your own performance ... in addition, we understand that ownership encourages entrepreneurialism ...so we also introduced an employee ownership programme …and this available for employees at **__all__** levels … not just management"*

Variable 2 – __Open debates__

"I have to admit, I am sometimes not the easiest person to approach … and I may be tough on you when you do question … however the reason I do this is to ensure that people really do their homework and 'fight' for their position ... if you really believe in something, do your best to defend it, because I know if I don't do it, somebody out there will fight you on in … be it a client, an analyst, a competitor or even the shareholder … so our guys need to know that being innovative does not necessarily mean they will be successful ….. but they need to be able to fight to get their idea/product etc., off the ground and that means debating it and ensuring that they achieve buy-in from all the key people"

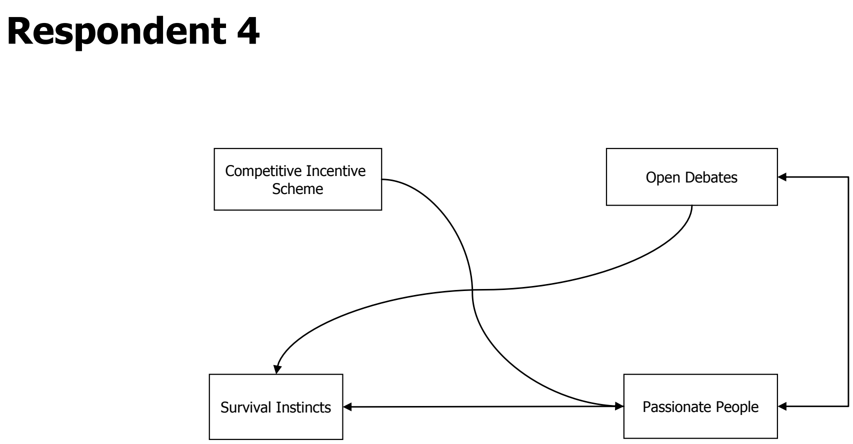
Variable 3 – __Survival instincts - sink or swim__

"We design the pool, but its up to you (employees) to decide whether you are going to sink or swim …. We will support people here, but we are not going to hold their hands throughout their careers …. People have the power to craft their own careers in areas of their strengths and their likings ... those that want hand-holding generally don't last, because at times they find as though the environment is not supportive enough …do we hate losing those people, of course we do, but if we started to hold their hands, we would lose part of the culture that has made us succeed today …part of what makes us successful is having people who not just swim, but break the rules and decide to fly … those are the future leaders of our organisation .."

Variable 4 – <u>Passionate people</u>

> *"We definitely pride ourselves with employing people of the highest calibre … we understand that exceptional people are sought after by everyone … but for us the measure of uniqueness is being able to match your inate skills and talents to match the culture we have developed through the years … and we do this across the world … not just South Africa …The years have shown us though that our success has definitely been on the quality of people employed here …"*

Respondent 4 Model



Comments with regards to Respondent 4 Model

From this model, the observations and insights listed below were gathered by the interviewer.

- The competitive incentive schemes provide the motivation that can encourage the passion and performance of the people within the organisation.
- In addition, having the ability to debate issues openly, individuals within the organisation develop passion and ability to contribute to the organisation without fear of retribution.

- This passion allows people in the organisation to develop survival instincts, particularly in the difficult times – these instincts again allow these individuals to be open about their thoughts and how situations can be addressed.

4.5.1.5 Respondent 5

Variable 1 – <u>Rewarding staff system</u>

> "*Its important to align staff interest with the group's interest … and ensure that we actively stimulate an entrepreneurial culture and spirit …two ways we have done is first through competitive packages we offer our staff – our partners … and second, we want people to really take ownership of the company …at all levels … and we have done that through the employee ownership program … this allows staff to really participate in the success of the company … it also shifts responsibilities and accountability from just management to the lower operational levels …"*

Variable 2 – <u>Strong support structures</u>

> "*I have found that when I started working here, I had every support I required, but what I realised soon, was that I had to request it and seek it first … I feel that in order to really succeed here and take advantage of all the opportunities present in this organisation, you have to take initiative … and once you do that, everything falls into place …"*

Variable 3 – <u>Open and honest dialogue</u>

> "*You learn quickly here that your first pitch of an idea is never accepted initially …. People will probe, question and seek to understand … the reason that is done is to ensure that people build tenacity and the need to succeed … if they truly believe in what they are presenting, they need to take*

the responsibility of getting the buy-in they need …in reverse, if someone presents something that you yourself don't fully agree with, you also feel that you can openly challenge it … even if its with Stephen (Kosseff) or Bernard (Kantor) …they respect you more for challenging them, than taking orders and not thinking about what you were just told to do … they might argue with you … vehemently at times, but its all professional and there is never any hard feelings …even if toes sometimes get stepped on … but you learn to grow a thick skin quickly and not to take things personally … that is essentially what allows us to have this open and honest dialogue with each other …"

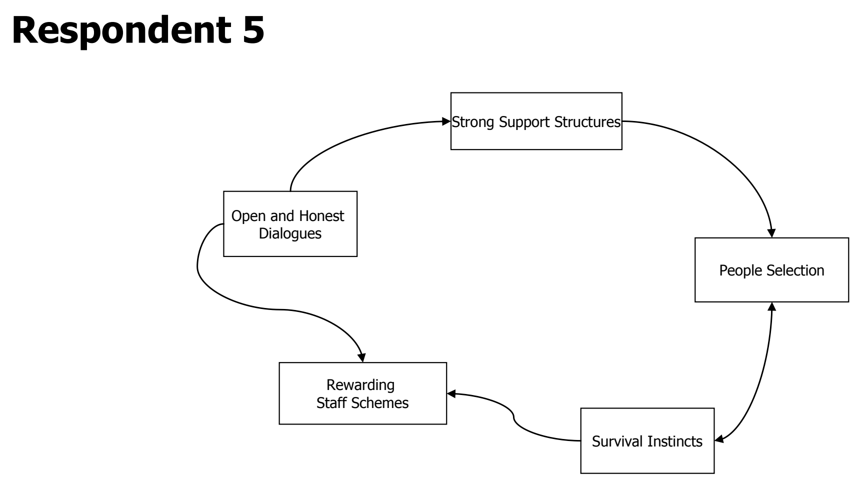
Variable 4 –<u>Smell of the place – our people selection</u>

"*At Investec, we are very meticulous in the way that we recruit people … it can take up to 7-8 interviews before its agreed that a person should join the firm …this is for us to check if the person fits in with the smell of the place … Investec has a distinctive feel to it … some like it, and some don't … and we want to ensure that we pick it up early so as to save the trouble for everyone … "*

Variable 5 – <u>Survival instinct</u>

"People see our success today, but we have gone through rough times too and those have also tested us … and when you are low, it's when you find that the strongest of the bunch will stick together and find solutions out of the situation … these are the people that ultimately live to tell stories … part of our culture is being able to tell war-stories and share in moments of when we sailed close to the wind and made it …"

Respondent 5 Model



Comments with regards to Respondent Model

From this model, the observations and insights listed below were gathered by the interviewer:

- Open and honest dialogue characterised by the culture reinforces strong support structures, which ensure that people displaying and exercising openness are not victimised by management and the system.
- The strong and supportive structures offered by management underpin the criteria set by management for the manner in which they select people who then form part of the culture inculcated by leadership structure.
- The organisation selects people who exhibit certain characteristics, which are meant to ensure that a person survives through difficult times. Some of those characteristics are flexibility, ability to cope under pressure and at understanding of complex situations.
- These individuals who then form part of the team that survives the difficult times and exhibit leadership qualities and entrepreneurial thinking in the manner in which they solve problems are handsomely rewarded for their dedication and loyalty.

4.5.1.6 Respondent 6

Variable 1 – <u>Risk and rewards</u>

"*It's risky to stick your neck out and times and feel the draft of challenging the status quo and putting yourself out there, and we recognise that … which is why we reward individuals who take initiatives and dare to be different and contribute to the organisation …"*

Variable 2 – <u>Learning from negative experiences</u>

"We have messed up along the way … there were times when we did not even know how we were going to get ourselves out of certain situations … however the team pulled together and introspections were done … and lessons needed to be learnt and solutions found … this was not left to the individual …we understand that when we succeed, we need to succeed together … in the same way as when we failed …failure is not something that we fear … what we do fear however is not learning the lesson from it and repeating it …"

Variable 3 – <u>Challenging the status quo</u>

"Times are quickly changing and it's important to include voices of various stakeholders in the way that we make decisions … and we make available that voice to everyone in the firm … people know that they are free to challenge any decisions and take up issues when they feel the need … the only thing we require is that they adequately research their issues and consult adequately in order to also gain credibility whenever they take something up …"

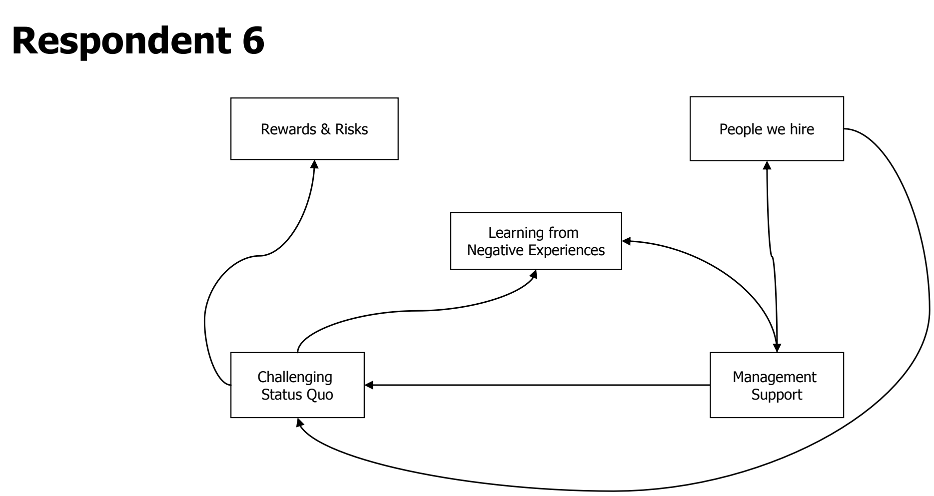
Variable 4 – <u>Management support</u>

"…as a follow-up from the previous point, management are always ready to support initiatives that they feel are in line with the overall strategy to being a distinctive group, globally …we have a strong record in this regard and we believe this is key to our successes in the past and for us going forward … "

Variable 5 – <u>The people we hire</u>

"The people we want should be with us not because of the money we can offer them, nor because they are contractually obligated …people we get are people who are full of passion to do their best and to be the best and because they love this business and this brand and want to see it succeed … people should see this as their business and not their jobs … "

Respondent 6 Model



Comments with regards to Respondent 6 Model

From this model, the observations and insights listed below were gathered by the interviewer.

- Risk equals reward, so the saying goes, at Investec, this seems to the case. In this case it looks as though the risk taken irrespective of the outcome is supported, as long as that risk is managed in a manner that guarantees a positive result.
- Also when a positive result is not achieve, the organisation seems to have developed a manner of coping with such situations in the way in which they seem to benefit from learning from the negative experiences, which contribute to the institutional learning of the organisation.
- This power to learn from negative experiences is reinforced by the support that management provides to the individuals in the firm. This support does not end there but also extends itself to the manner in which management accepts the individuals who feel the need to challenge the status quo of the organisation in the hope of challenging said assumptions and practices.
- The people who are hired will ultimately end up in the management team at a later stage, which will finally lead the organisation in a future period. Therefore it seems critical to the organisation that the correct selection of people be made eventually and that these people have the same desire in acting out on the strategy of the organisation to achieve and continue successful practices.

4.5.1.7 Respondent 7

Variable 1 – <u>Client appreciation</u>

> *"The firm operates in a competitive environment where ongoing innovation and rapid responses to clients' needs become crucial to the survival of the organisation ... "*

Variable 2 – <u>Committed leadership</u>

> *"The leadership we have built through the years is ensuring that we institutionalise the learnings that we are gaining through the years and that this is revealed in the manner in which we manage our business ... Our*

management and leadership team is very committed to the direction and strategic direction of the organisation ...we might not all agree on the manner in which we all arrive there, but one thing is for sure, we definitely agree on where we need to go ....”

Variable 3 – <u>Supporting initiatives financially</u>

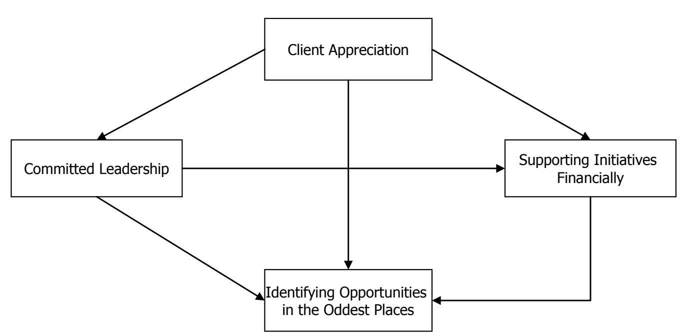
“It has never been an issue that once an idea has received full support that it will be backed fully by management and the leadership team and that they will provide one with all the resources required in order to succeed ... ”

Variable 4 – <u>Identifying opportunities in the oddest places</u>

“One thing we can say is that we find value in the oddest of places. When we used to be in the Johannesburg City Centre we used to come across every type of man and woman on the street and that has taught us that one cannot find value looking at life through conventional lenses ... once you explore and break your own barriers, you find that you can identify opportunities in various ways ... ”

Respondent 7 Model

Respondent 7



Comments with regards to Respondent 7 Model

From this model, the observations and insights set out below were gathered by the interviewer:

- Staff who practise activities that lead to ultimate client satisfaction are probably the ones who grow the fastest because they focus on the key areas that the group itself wants to focus on.
- These staff will probably be individuals who find that any initiatives they undertake will be more supported if they continue to display initiatives that make the organisation grow.
- Successful initiatives, although initially requiring management support, can also increase the management support an employee would need in the future in order undertake more initiatives.
- This support can, in turn, increase the support that one would gain if one had to start looking for opportunities in the oddest way.

4.5.1.8 Respondent 8

Variable 1 – <u>Valuing diversity</u>

> *"Although our short-term successes are important to us, the bigger picture of long-term sustainability is more important. An area where we are developing and gaining core competence is in the way in which we value diversity in the firm. Not just in line with the country's requirements, we believe that being able to appreciate and reach into the diversity we have in our firm, can give us the edge to serve our clients better, as well as the ability to innovate in a original way…"*

Variable 2 – Celebrating success

"Our success before might have been accidental, however now it's more deliberate and so we want to ensure that we maintain that success and celebrate it …to show particularly the younger colleagues that we are just about work, but that our careers have meaning and that we don't take our successes for granted … "

Variable 3 – Leadership support

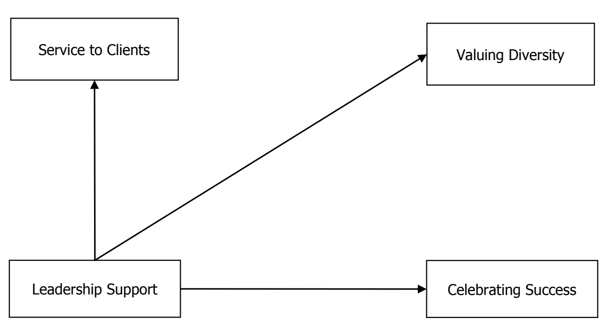
"The leadership we have strives to ensure that it encourages inventiveness in the organisation and that we develop practices that ensure that respect for individuals is maintained at all times. This respect for individuals encourages open and honest dialogue at various levels … "

Variable 4 – Service to clients

"The reason for our existence is our clients … we have identified these people as the bread and butter of our organisation and strive to ensure that we find innovative ways in which we can meet their needs … "

Respondent 8 Model

Respondent 8



Comments with regards to Respondent 8 Model

From this model, the observations and insights listed below were gathered by the interviewer.

- Servicing clients in an optimal manner seems to be the way in which to gain support for any initiative one has undertaken.
- At the same time, the leadership team seems to value not only value the service that employees provide to their clients, but also the diversity that individuals bring to the group as well their clients.
- At the same time, Investec seems to be an organisation that does not overlook its success. It uses its successful times as a way to instil best practices in the organisation and this can ensure the continuation of successful practices and behaviours in the organisation.

4.5.1.9 Respondent 9

Variable 1 – <u>Clear strategy and direction</u>

> *"Our strategy has always been clear from the start of this company more than three decades ago. We have wanted to be a force to be reckoned with within the financial industry, locally and now abroad, and all our actions are governed by this desire…"*

Variable 2 – <u>Excellent people selection</u>

> *"Our people are the pinnacle of our success …this is one area where we take the ultimate pride …"*

Variable 3 – <u>Openness in the firm</u>

"There has never been the need to hide information in the organisation from employees. We believe in ensuring that we disclose as much as we can to our internal staff so as to ensure that there is a level or trust and honesty that is maintained through the entire organisation … "

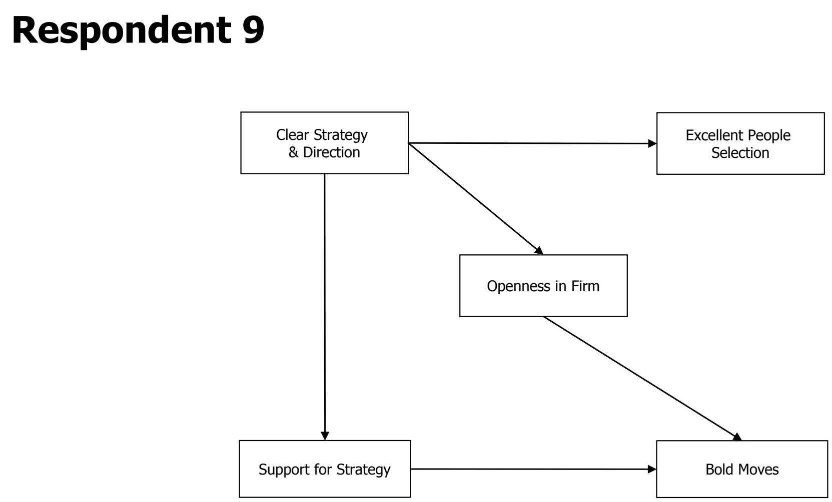
Variable 4 – <u>Support for initiatives</u>

"The way in which management lends its support to initiatives in the organisation is the way in which they quickly adopt great ideas and recognise people who produce these ideas. People here are never shot down for bringing ideas. They might have to defend them at some stage, but it's part of the support that is provided in order to ensure that they have also thought issues through thoroughly."

Variable 5 – <u>Bold moves</u>

"In the past we used to take more bold moves, because we believed that being a first mover in taking advantage of an opportunity that could only be assessed in terms of quality and risk at a later stage, was sometimes an act that one had to take. However, whenever individuals acted in this manner, they also fully understood the personal risk they also took. Many of these actions by ourselves and our management led us to many successes, but at times we did get burnt. Times have changed and our organisation has grown much bigger to be able to manage thousands of employees acting in this way, however the act of boldness is not something that is occasionally tolerated. We prefer to act with a more risk management approach now, but we still encourage practices that encourage the search for new opportunities in the oddest places … "

Respondent 9 Model



Comments with regards to Respondent 9 Model

From this model, the observations and insights listed below were gathered by the interviewer.

- Openness in the organisation encourages individuals to be bold and for them to take initiatives from idea to implementation in order for the organisation also to reach its ultimate strategic goals.
- In addition support gained from management for initiatives ensures that people can act with boldness in their ideas and seek differentiation rather than conformity.
- A clear strategy can also be one way in which openness in the firm can be displayed. When everyone knows in which direction the organisation is headed, it is easier to demystify issues and concern.
- In addition, a clear and concise strategy also provides direction as to the manner in which excellent people are recruited and absorbed into the organisation.

4.5.2 Summary of interview variables

Table 3.3 summarise all the variables that were identified during the interview proceedings. The variables have been left in the same words that were used by the respondents, even though specific and confidential information with regards to processes have been purposefully omitted from the explanations of the variables.

Table 4.3: Summary of interview variables

	Respondent 1	Respondent 2	Respondent 3	Respondent 4	Respondent 5	Respondent 6	Respondent 7	Respondent 8	Respondent 9
1	Deliberate Strategic Focus	Partnership & Focus							Clear Stratefy and Direction
2	Risk Management		Risk Management			Risks and Rewards			
3			Competitive and Rewarding Renumeration	Competitive Incentive Schemes	Rewarding Staff System				
4	Strong Client Focus						Client Appreciation	Serv ice to Clients	
5								Valuing Diversity	
6	Quality of People	People Selection	Continuing culture through new recruits	Passionate People	Smell of the place - selection of the people				Excellent People Selection
7		Balanced Leadership					Conituous Leadership		
8			Open Dialogue	Open Debates	Open and Honest Dialogue	Challenging Status Quo			Openness in the Firm
9	Resource Provision	Financial Support and Provision					Learning through Gowring and Supporting initiatives, financially		
10	Tolerance for Failure	Learning through Failures		Survival Instinct		Learning from Negative Experiences			
11	Structure	Flat Structure		Strong Internal Structure	Strong Supportive Structure	Management Support		Leadership Support	Support for Strategy
12	Bullish Behaviour	Opportunistic		Survival Instinct			Identifying opportunities in oddest places		Bold Moves
13								Celebrating Success	

4.5.3 Clustering of variables – literature and interview findings

Table 4.4: Clustering of variable – literature and interview findings

Variable	Interview Findings	Literature Findings
Entrepreneurial Posture	Respondent 1 Deliberate Strategic Focus Respondent 9 Clear Strategy and Direction	**Other Model Variables** • Strategic Renewal - (Guth & Ginsberg, 1990) • Strategic Philosophy (Slevin & Covin, 1991) • Entrepreneurial Posture (Zahra, 1991) • Entrepreneurial Orientation (Lumpin & Dess, 1996) **Quantitative Studies** • Organisational Boundaries (Kuratko, Montagno & Hornsby, 1990)
Client / Service Orientation	Respondent 1 Strong Client Focus Respondent 7 Client Appreciation Respondent 8 Service to Clients	**Other Model Variables** • Strategic Renewal - (Guth & Ginsberg, 1990) • Strategic Philosophy (Slevin & Covin, 1991) • Entrepreneurial Posture (Zahra, 1991) • Entrepreneurial Orientation (Lumpin & Dess, 1996) **Qualitative Studies** • Relentless attention to value (Cornwall & Perlman, 1990) • Wins Customers (Cornwall & Perlman, 1990) • Concern with products (Winslow, 1990)
Innovativeness	Respondent 1 Bullish Behaviour Respondent 2 Opportunistic Respondent 4 Survival Instinct Respondent 7 Identifying opportunities in the most unusual places Respondent 9 Bold Moves	**Other Model Variables** • Innovation/Venturing (Guth & Ginsberg, 1990) • Risk Taking (Slevin & Covin, 1991) • Proactiveness (Slevin & Covin, 1991) • Proactiveness (Zahra, 1991) • Flexibility (Barrett & Weinstein) • Competitive Tactics (Slevin & Covin, 1991) • Opportunistic Venturing (Zahra, 1991) • Hostility (Zahra, 1991) • Acquisitive Venturing (Zahra, 1991) **Qualitative Studies** • Commitment to Innovation (Morris, 1989) • Proactiveness (Morris, 1989) **Quantitative Studies** • Opportunity recognition norms (Russell & Russell, 1992) • Support for creativity (Siegel & Kaemmerer, 1978) • Value for Innovation Norms (Russell & Russell, 1992) • Implementation Norms (Russell & Russell, 1992) • Entrepreneurial Orientation (Lumpin & Dess, 1996)

Tolerance of Failure Norms	Respondent 1 Tolerance of Failure Bullish Behaviour Respondent 2 Learning through Failure Respondent 4 Survival Instinct Respondent 6 Learning from negative experiences Respondent 9 Bold Moves	**Other Model Variables** • Risk Taking (Slevin & Covin, 1991) • Competitive Tactics (Slevin & Covin, 1991) **Qualitative Studies** • Risk (Cornwell & Perlman, 1990) • Risk Taking (Ekvall, 1990) • Learning from failures (Sathe, 1988) • Risk Taking and Tolerance for failure norms (Morris, 1989) **Quantitative Studies** • Tolerance for failure norms (Russell & Russell, 1992) • Support for creativity (Siegel & Kaemmerer, 1978) • Value for Innovation Norms (Russell & Russell, 1992) • Implementation Norms (Russell & Russell, 1992) • Entrepreneurial Orientation (Lumpin & Dess, 1996)
Structure and Support Norms	Respondent 1 Structure Respondent 2 Flat structure Respondent 4 Strong internal structure Respondent 5 Strong supportive structure Respondent 6 Management support Respondent 8 Leadership Support Respondent 9 Support for Strategy	**Other Model Variables** • Organisational structure (Slevin & Covin, 1991) • Business practices (Slevin & Covin, 1991) • Organisational structure (Zahra, 1991) • Facilitating Influences (Barrett & Weinstein) • Organisational structure (Lumpkin & Dess, 1996) • Strategy-making processes (Lumpkin & Dess, 1996) **Quantitative Studies** • Organisational structure (Russell & Russell, 1992) • Organisational structure (Kuratko, Montagno & Hornsby, 1990) • Organisational boundaries (Kuratko, Montagno & Hornsby, 1990)
Reward and Recognition Norms	Respondent 3 Competitive and rewarding remuneration Respondent 4 Competitive incentive schemes Respondent 5 Rewarding staff system Respondent 6 Risks and rewards	**Quantitative Studies** • Resource and reward availability (Kuratko, Montagno & Hornsby, 1990)

Resource Norms	<u>Respondent 1</u> Resource Provision <u>Respondent 2</u> Financial support and provision <u>Respondent 7</u> Supporting initiatives financially	**<u>Other Model Variables</u>** • Firm Resources (Lumpkin & Dess, 1996) **<u>Quantitative Studies</u>** • Resource and reward availability (Kuratko, et al. 1990)
Open Communication Norms	<u>Respondent 3</u> Open communication <u>Respondent 4</u> Open debates <u>Respondent 5</u> Open and honest dialogue <u>Respondent 6</u> Challenging status quo <u>Respondent 9</u> Openness in the firm	**<u>Quantitative Studies</u>** • Open-minded consideration norms (Russell & Russell, 1992) **<u>Qualitative Studies</u>** • Debates (Ekvall, 1990) • Trust and openness (Ekvall, 1990) • Open Communication (Sathe, 1988) • Wins Customers (Cornwall & Perlman, 1990) • Information sharing norms (Russell & Russell, 1992)
Talent Management Norms	<u>Respondent 1</u> Quality of people <u>Respondent 2</u> People selection <u>Respondent 3</u> Talent Management <u>Respondent 4</u> Passionate People <u>Respondent 5</u> Selection of the people <u>Respondent 6</u> People we hire <u>Respondent 9</u> Excellent people selection	**<u>Qualitative Studies</u>** • People impertinent (Winslow, 1990) • Leadership at all levels (Cornwall & Perlman, 1990)

Strategic Leadership	<u>Respondent 2</u> Balanced leadership <u>Respondent 3</u> Integrity in management <u>Respondent 7</u> Committed leadership	**<u>Other Model Variables</u>** • Characteristics, Values/Beliefs, Behaviours (Guth & Gunsberg, 1990) • Top management values and philosophy (Slevin & Covin, 1991) • Managerial Values (Zahra, 1999) • Organisational factors (Lumpkin & Dess, 1996) **<u>Qualitative Studies</u>** • Leadership at all levels (Cornwall & Perlman, 1990) • Leaders (Winslow, 1990) **<u>Quantitative Studies</u>** • Managerial Support (Kuratko, et al. 1990)

4.5.4 Additional variables to be used in the model

The variables listed below were evident in secondary literature sources, but not in primary interview sources.

a. External environment/Precipitating Event
   - Precipitating Events (Slevin & Covin, 1991)
   - Industrial life cycle changes (Slevin & Covin, 1991)
   - Technology sophistication (Slevin & Covin, 1991)
   - Environment (Russell & Russell, 1992)

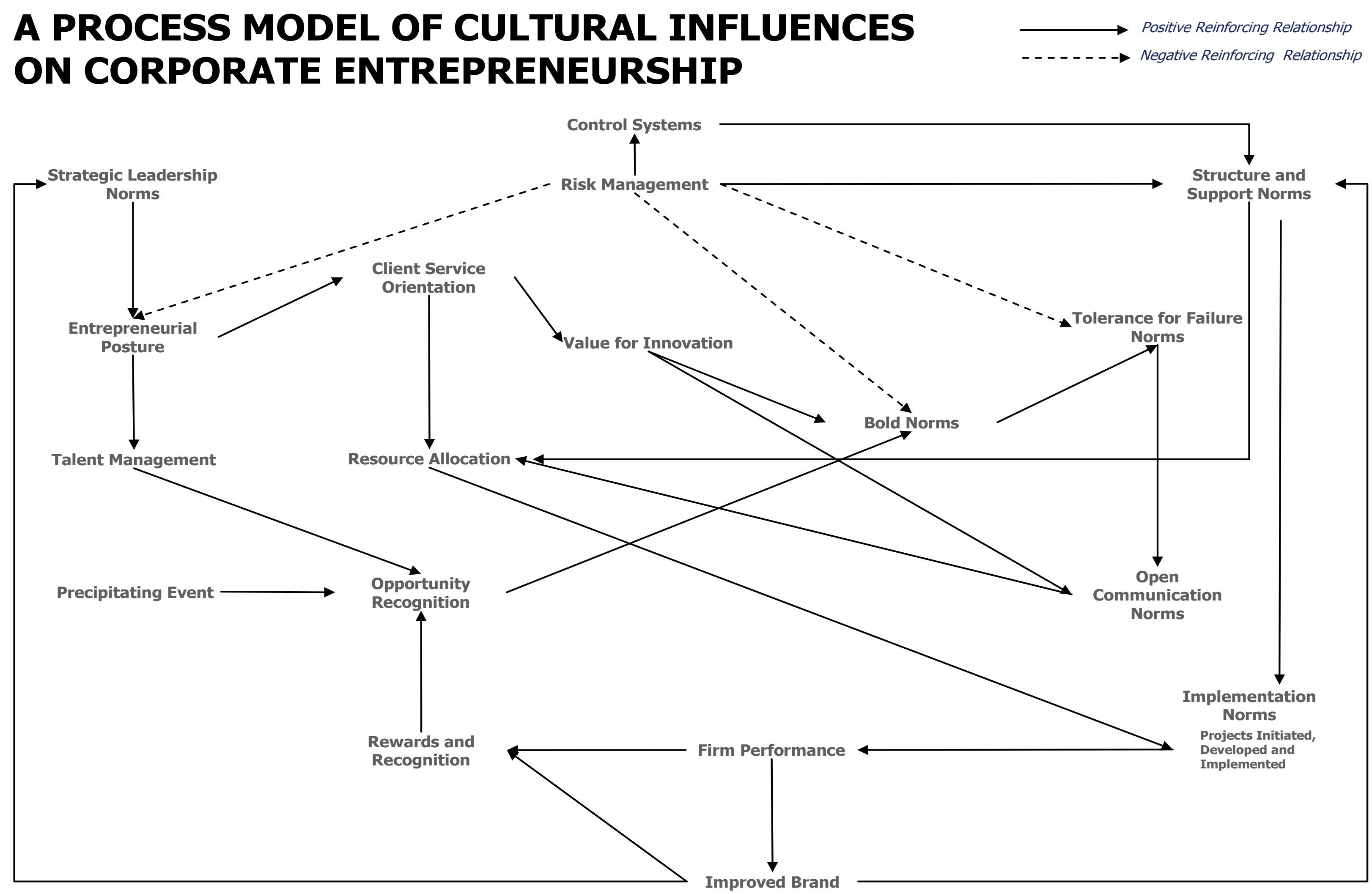
b. Firm Performance
   - Effectiveness, Efficiency and Job satisfaction (Guth & Gunsberg, 1990)
   - Firm Performance (Slevin & Covin, 1991)
   - Financial and non-financial performance (Zahra, 1991)
   - Sales growth and profitability (Lumpkin & Dess, 1996)
   - Business performance (Barrett & Weinstein, 1998)

The following variable was evident in primary interview sources, but not in the secondary literature sources.

a. Risk Management

- Risk Management (Respondent 1 & 3)

Figure 4.1: A process model of cultural influences on corporate entrepreneurship



4.6 FINAL MODEL

4.6.1 Overview of the model

This model incorporates several variables derived from the analysis of the corporate entrepreneurship literature, as well as variables derived from the study of the leadership team at Investec, a South African organisation known for its entrepreneurialism.

The variables incorporated in the model have been found to relate to corporate entrepreneurship in various correlated studies and in this model they are combined to form a systems model that provides a description of the process of corporate entrepreneurship. The model was developed using a method called cognitive mapping, and this process has been discussed on a previous section of this research report.

The variables that were included in the model are described below.

Strategic leadership norms

Collins (1998) describes strategic leadership as the top executives who display high levels of persistence, overcome obstacles, attract dedicated people, influence groups towards the achievement of goals and play key roles in guiding their company through crucial episodes in the company's history.

This leadership team needs to have self-confidence bordering on hubris, a dictionary term defined as "overbearing pride, confidence and/or arrogance". This "hubris factor" provides leadership with some unreasonable confidence in setting BHAG's (Big Hairy Audacious Goals). This can be defined as the unreasonable confidence that Airbus had in taking on Boeing and developing with the A380, something that was thought impossible. Normally, BHAG look more audacious to outsiders than to insiders. However, in a company like Investec, for them listing on the London Stock Exchange was not a case of them taunting the gods. It simply never occurred to them that they could not do what they set out to do. Once leaders make their BHAG's explicit, this stimulates the excitement for the rest of the organisation and sets the stage of what is to happen next.

Entrepreneurial posture

In the model that they produced, Covin and Slevin (1991) describe "Entrepeneurial Posture" as a term used to capture top management's several behaviours related to corporate entrepreneurship. Their model conceptualised corporate entrepreneurship as a set of behaviours occurring at organisational level.

Covin and Slevin (1991) described entrepreneurial posture as:

- the pioneering nature of management or their tendency to engage in proactive competition with industry rivals;
- strategic management's propensity to support risky ventures; and
- the extent and frequency of product "or service" innovation.

Entrepreneurial posture represents an overall strategic philosophy regarding the role and function of innovation in a firm's grand strategy.

Talent management

"To have Welsh-calibre CEO is impressive. To have a century of Welsh-calibre CEO's all grown from inside – well, that is one key reason why GE is such a visionary company" (Collins, 1998: 171).

Jack Welsh is hailed as one of the most effective chief executive officers in American business history, and the crucial point is, so did his predecessors. Welsh changed GE, but so did his predecessors. GE is mostly respected not because it had Jack Welsh at its realm for decades, but because it attracted, selected, groomed and developed Jack Welsh, from the inside. It is admired more for its remarkable track record of continuity in top management excellence over the course of a hundred years (Collins, 1998).

Talent management is the ability to attract, select, develop, promote and carefully select managerial talent within the company. It is an active trait of a forward looking, entrepreneurial organisation. It entails the features depicted in Figure 4.2.

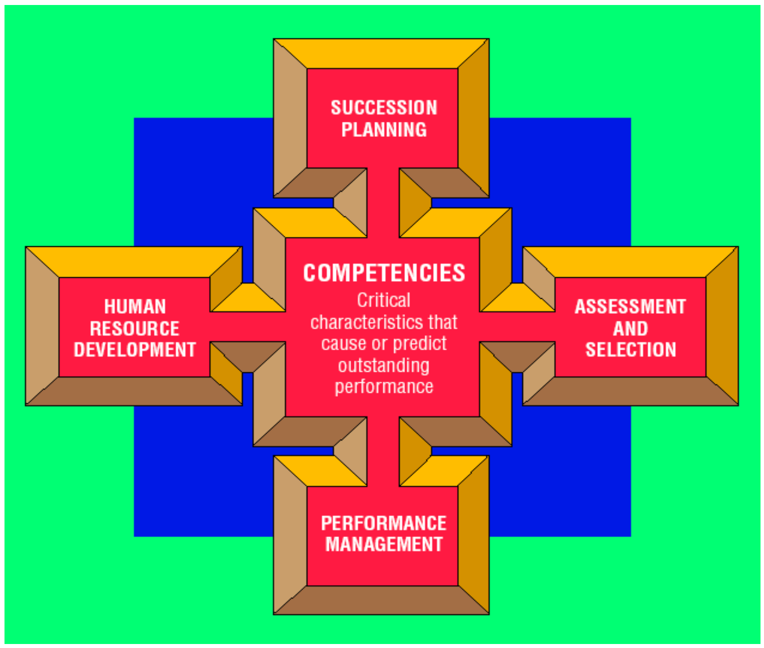


Figure 4.2: Talent management framework

Individuals at Investec are normally selected on the basis that they exhibit the following characteristics;

- need for achievement;
- goal orientation;
- internal locus of control;
- ability to overcome barriers; and
- flexibility.

Precipitating event

In the review of the entrepreneurship literature, the external environment was mentioned as playing a major role in influencing corporate innovation. Environmental conditions present information about entrepreneurial opportunities and, using Zahra's (1991) term, information from the environment is presented in the form of "precipitating events". This is an input variable that triggers and stimulates entrepreneurial activities within the organisation. Individuals in entrepreneurial organisations tend to be sensitised to these events and see viable opportunities for action. These events are usually clouded in environments that are generally hostile, particularly in industries that are generally very competitive and where the level of uncertainty is high. Such is the case with the banking industry operating in the South African and United Kingdom environments.

Increased diversity also presents diverse customer needs and characteristics, which provides increased scope and multiple opportunities for organisations to exploit.

Opportunity recognition

Not all organisations will respond to the precipitating events, mentioned above with the same vigour and enthusiasm. The extent to which these precipitating events are exploited depends on the entrepreneurialism of individuals within the organisation and their ability to recognise these opportunities.

The more supportive the organisation is with regards to the pursuit of innovation and differentiation as a source of competitive advantage, the more sensitised the individuals will be to the opportunities around them, and the greater the chances of them recognising the opportunities.

Client service orientation

A critical variable in the model is the ability of the organisation to understand its client's needs and the manner in which it goes about servicing those needs. Not only should this be about servicing the clients, needs, but about how servicing the client, will yield greater profits for the organisation. The understanding and consensus of the core service to be provided to clients will define the resources that will be committed to expanding and growing this service, defending the client base that exists, warding off competitors, increasing and deepening customer relationships and in decreasing the cost of service per client.

This is also the extent to which members of the organisation enjoy "beating" the competition and regard complacency and entrenchment and entitlement as being inappropriate behaviours.

Value for innovation

This is the extent to which the organisation finds it legitimate and appropriate to think and act ahead of the customer, rather than simply satisfying the customer's current and/or emerging needs. This is the ultimate belief that proactive innovation is an appropriate means of organisational survival and prosperity.

Bold norms and tolerance for failure norms

This speaks to the extent to which the organisation values boldness in decisions and action, particularly related to opportunities in the market. It represents a preference for bold action to shape the future of the environment, instead of passive, reactive action constrained by current resources, even under immense pressure and/or conditions of ambiguity.

It is also the degree to which the organisation believes that reasonable risks should be taken by people which levels of the organisation, in reaching their intended goals. Failure in this instance is often viewed as a source of learning, rather than a source of shame. In addition, members of the organisation believe that successes, as well as ‘intelligent failures,’ should be rewarded.

In this boldness lies the belief that there are no existing organisational activities, products or services that are above scrutiny and that nothing is sacred.

Structure and support norms

The concept of organisational structure and its relationship to corporate entrepreneurship has been broadly interpreted through a great many different variables (Damanpour, 1991). However, not all the variables will be discussed here, only the ones pertinent for this study. Two variables used to differentiate between organic and mechanistic structures are decentralised and formalised structures (Damanpour, 1991). Positive associations between decentralised structures at a business unit level and innovation have been explained in terms of increased autonomy and control over resources, which in turn enables managers to initiate and test more innovative ventures (Kanter, 1983).

In contrast, formalised structures have been found to be negatively correlated with innovation. A presumed reason for this finding is that formalised context, work related behaviours are largely controlled by strict rules and behaviours, allowing little creativity and innovation to shine through.

The support norms structure that lends aid and support the initiatives within the organisation. For a new venture to move from initiation, through development to implementation, needs key managers within the organisation to provide it with help in the form of financial, resource and leadership support.

Resource allocation

For an idea to move from a proposal to an implemented idea, the organisation will need to provide the initiative with resources devoted to ensuring that the idea succeeds. Whether resources are provided via formal or informal means, they still need to be available if the innovative idea is to move from stage to stage.

Open communication norms

The extent to which the organisation believes that frequent and open communication with each other and with customers and other important stakeholders and relatively unfettered access to all, is an appropriate approach to work. The belief should be that ideas and suggestions may come from many sources, including employees at all levels and even customers themselves. This also speaks to the manner in which the organisation in particular tolerates the differences in opinion and tolerates members who challenge the status quo. The belief is that as part of management, talented people will challenge the norms and that in order to grow the organisation; this is an acceptable form of behaviour and at times is even expected as form of behaviour in an entrepreneurial environment.
This also extends to the manner in which members of the organisation believe it appropriate to express their dissatisfaction with the organisation in an attempt to improve it, rather than suffer in silence and/or leave the organisation.

Implementation norms

This is the extent to which the organisation is able to move the entrepreneurial process, from idea to implementation, i.e. through the idea recognition phase, to idea initiation, idea development and finally idea implementation. It is recognised that in absolute numbers that fewer ideas will be initiated than are recognised, and that there will be fewer ideas developed as those initiated and finally fewer ideas implemented than those developed.

Firm performance

Although there have been few studies have been directed towards the review of firm performance and corporate entrepreneurship, Zahra (1996) published a study that suggests that corporate entrepreneurship has a positive effect on financial performance. The performance, although modest in the few years, generally grows significantly over time. Firm performance, an outcome variable, is presumed to be a result of successful implementation of various projects.

Improved brand

The success of the organisation generally filters through to external stakeholders, such as analysts, shareholders, as well as internal stakeholders, which ultimately produces increased benefits, leading to a stronger brand perception. A strong brand will generally attract better talent, increases the share prices and reinforces the entrepreneurial posture of the organisation with increased support from management.

Rewards and recognition

This is the extent to which an organisation rewards and recognises its employees on the success of their initiatives. This is the ultimate belief that the prosperity of the firm needs to be shared with the people who have succeeded in making the organisation successful. As mentioned before, "intelligent failures" also form part of this reward system, so as to encourage individuals to try again, even though circumstances led to the failure of their initiative.

Risk management and control systems

This is the extent to which an organisation monitors and controls the risk exposure of the organisation. The approach taken with regards to risk management and its affiliated control systems is critical because this action could be counter-productive to the entrepreneurial strategy and goals set by the leadership team. This needs to be set in a manner that creates a tolerable risk and reward profile, which can coexist in trying to ensuring that risk parameters and objectives are in line with the overall strategy and growth objective of the organisation.

4.6.2 Assumptions on which the model is based

- A direct link between strategic leadership norms and entrepreneurial posture is presumed, i.e. the development of BHAG's by strategic managers predisposes them to seek entrepreneurial ventures and facilitate the organisation in supporting these initiatives.
- A firm's performance is presumed to be as a result of successful implementation of various projects.
- Risk management is presumed to result in more control systems that would be implemented in managing this process.
- It is also presumed that risk management practices, irrespective of their extent, will have negative impacts on the entrepreneurial posture of the organisation, as well as the boldness of actions by employees, as well as the tolerance the organisation would have with regards to failure.

4.6.3 Discussion of model

A corporate entrepreneurship culture is one that is symbolised by an organisational value system that recognises innovative ventures as significant sources of competitive advantage and establishes a principle among organisational members that innovation is an expected and appropriate organisational activity. This type of culture will create a view among organisational members, staff and management alike, that entrepreneurial activities, along with their problems, anomalies and constraints, are general issues that need to be dealt with and not avoided.

On examining the process model and the variables described within it, the model reveals that there are indeed influences within the variables described on how the process of corporate entrepreneurship occurs in an organisation. The relationships within the model are predominantly positive, except in three instances. This indicates the correlation between the variables.

Several of the variables tend to be input variables and others output variables. The rest of them act as both input and output variables at the same time.

Organisational contexts strongly influence the manner in which this process unfolds and the first one mentioned is the environmental influences. Reviewing the literature and the interviews it can be seen that the external environment plays a major role in the way in which the organisation is steered towards entrepreneurship. In terms of the model developed here, the external environment provides the context and conditions in which entrepreneurial activities will operate. Dynamic and heterogeneous environments will provide more opportunities for the entrepreneurial organisation to exploit, while hostile condition will also provide more of an incentive for organisations to pursue innovation as a source of competitive advantage. In these contexts it seems clear that the environment presents either a greater opportunity or a pressing need for recognising the "precipitating events" that trigger entrepreneurial responses (Russell, 1999).

In the model this is seen as one way for the entrepreneurial activities to emerge. The other way is through the leadership team. Not all firms will react in an entrepreneurial manner to the same circumstances, in the same industry, and firm conditions, as noted by Miller and Friesen (1984). Entrepreneurial behaviour, as stated by Russell (2002), is the result of the interaction between organisational characteristics, individual responses and the precipitating events.

Precipitating events may provide opportunities for corporate entrepreneurship to emerge, but unless these events are taken note of and acted upon by the organisational employees, this entrepreneurship will not take place. This is where the leadership of the organisation gains the opportunity to drive the entrepreneurialism within the organisation.

In the case of Investec, the leadership of the organisation has made it explicitly known that its strategic goals and objectives is to be recognised as a distinctive specialist banking group. This has been the goal of the leadership of Investec from the beginning and they are slowly starting to realise that goal. Investec's strategy has always been linked to their need to be focused around the interaction with clients and desire to deliver value to them.

Having this explicitly known in the organisation is valuable, because although it would be management's desire to be entrepreneurial in its activities, in trying to reach this goal, they ultimately have no direct control over the **opportunity recognition** activities. The **value of innovation** and the realisation of that value through idea generation can only come from employees. Therefore, managers who want to inspire innovation and creativity need to set the local context that inspire individuals to generate entrepreneurial ideas on their own, rather than attempting to manage new venture activities. This is to ensure future continuity and sustainability of the process and to have it deeply entrenched into the culture. Management has the ability to provide that local context through policy generation as well as their own behaviours and responses to certain activities that arise from the generation of ideas. Such behaviours and responses are summarised in Covin and Slevin (1991) as being the **entrepreneurial posture** of management and are summarised as:

- the propensity of strategic managers to provide organisational and financial resources to entrepreneurial ventures;
- the pioneering nature of strategic management, i.e. their tendency to engage in proactive competition;
- the tendency of strategic managers to support frequent innovation across a range of value-chain activities; and

- the propensity of **strategic managers** to create and support organisational structures and cultural issues that facilitate entrepreneurial activities.

However, on the uncertainties inherent in entrepreneurial activities, lies the key issue of **control and risk management**. This has been described by Russell and Russell (1992) and Kanter (1983) as being ineffective in the emergence of entrepreneurial activities in employees, and the tolerance of failure in management.

According to Damanpour (1991), this can be counteracted by the structure of the organisation. If a **decentralised structure** is maintained, members of the organisation will feel that they have an increased sense of autonomy to experiment with innovative solutions and this can contribute to the **open communication norms** and information sharing norms within the organisation.

To reinforce this, management can also provide support through ensuring that **organisational support** exists throughout, by providing various resources, such as people, money, time, equipment, management competencies and experiences to various initiatives introduced by members of the organisation. It is important to provide these **resources**, because entrepreneurial activities are resource-consuming and therefore the organisation's ability to pursue innovation and to gain from this innovation can be severely constrained by the availability or unavailability of resources. In addition, a decentralised structure is associated with extended entrepreneurialism through the increased discretion over the control the unit would have over its own resources.

In receiving these resources, the process should typically unfold to the initiation stage, where the entrepreneurial idea is investigated and tested for viability in order for it to gain more support from the organisation. In order for this idea to move to the next level, which is the development stage, it would have to become more structured, more quantified and qualified and available for others to provide their input on. If the idea is more accepted, it could gain more support from the organisation and attract more resources in order to move it to the final stage, which is the **implementation** stage. This process of gaining support from the organisation to **debating** the issues around the initiative **openly** and gaining the resources required finally to take the idea from development to implementation can take a long time and is often a repetitive process, until the organisation feels comfortable to move on. An initiative has moved into the implementation phase once it becomes part of the operations of the organisation.

The process of moving from implementation to firm performance is something that Investec has been able to do with its initiatives. Although very few studies are able to show the correlation between **firm performance** and corporate entrepreneurship, Zahra in her study showed that there is definitely a positive effect of entrepreneurial activities on the financial performance of the organisation. In the case of Investec, their Cape Town and London Asset Management units are proof of this innovation. In 1991, with only R1.5m being made available as capital to start the division, the head of the unit, Hendrik du Toit, developed the unit to a R300m profit per annum business, 15 years on. This figure is also only for the South African unit, and does not include the international offices. The fact that this unit was taken to this level, again demonstrates of Investec's ability in managing the entrepreneurial process and taking an idea, to implementation and now, firm performance.

With increased firm performance, particularly if it is consistent, organisations will have the ability to **strengthen their brand**, allowing them further opportunities. This brand perception is important because it communicates the success which the organisation is experiencing and increases customer faith in the organisation, making it easier and cheaper in the long term to attract and retain not only customers, but the best talent in the market. These successes should ideally be filtered through to those individuals who realised the idea and made it happen.

It should be noted though that most individuals involved in entrepreneurial activities drive themselves, working long hours to develop and implement their ideas. In a truly entrepreneurial organisation, the drivers of this behaviour are not necessarily tangible gains in the form of increased pay and promotions. It can easily be for **recognition** of expertise and **commendation** for a job well done. The importance of this action is pivotal because it reinforces future behaviours with regards to opportunity recognition. If this step is forgone by management, it could go a long way towards de-motivating future entrepreneurial activities within the organisation.

The model also indicates that if indeed the innovative ideas have resulted in performance improvements of the organisation, then this can also go a long way towards:

1. providing validation for the strategy that the management has taken;
2. strengthening the entrepreneurial posture of the organisation; and
3. strengthening the support mechanics and structures needed to support future innovative initiatives.

One should also consider at the possibility of the opposite reality (since the probability of a major success in any given venture is slim). If the innovative initiatives are unsuccessful and/or do not improve the firm's performance, then the entrepreneurial posture of the organisation could be negatively affected. This will only be the case if one of the other variables, being "**tolerance for failure**" norms, is really superficial and not full of meaning within the management team.

Ideas and ventures will fail; people will fail; leaders will also fail and other cases, markets will change overnight, causing one's venture to fail as well. The **strategic leadership norms** should have an effect on the entrepreneurial posture in ensuring that perseverance and tenacity are long-established values within the behaviour of the management team. To be a truly entrepreneurial organisation that is looking at more long-term wins, rather than short-term gains, the organisation needs to ensure that it has a visionary strategy that is aimed at sustainable success.

4.7 GUIDELINES FOR IMPLEMENTATION OF THE FINAL MODEL

The guidelines for the implementation of the model in practice are based on the following stages within the entrepreneurial process depicted in Figure 4.3 below. This diagram represents the researcher's visual depiction on the process of this process model and how it shifts from one stage to the next.

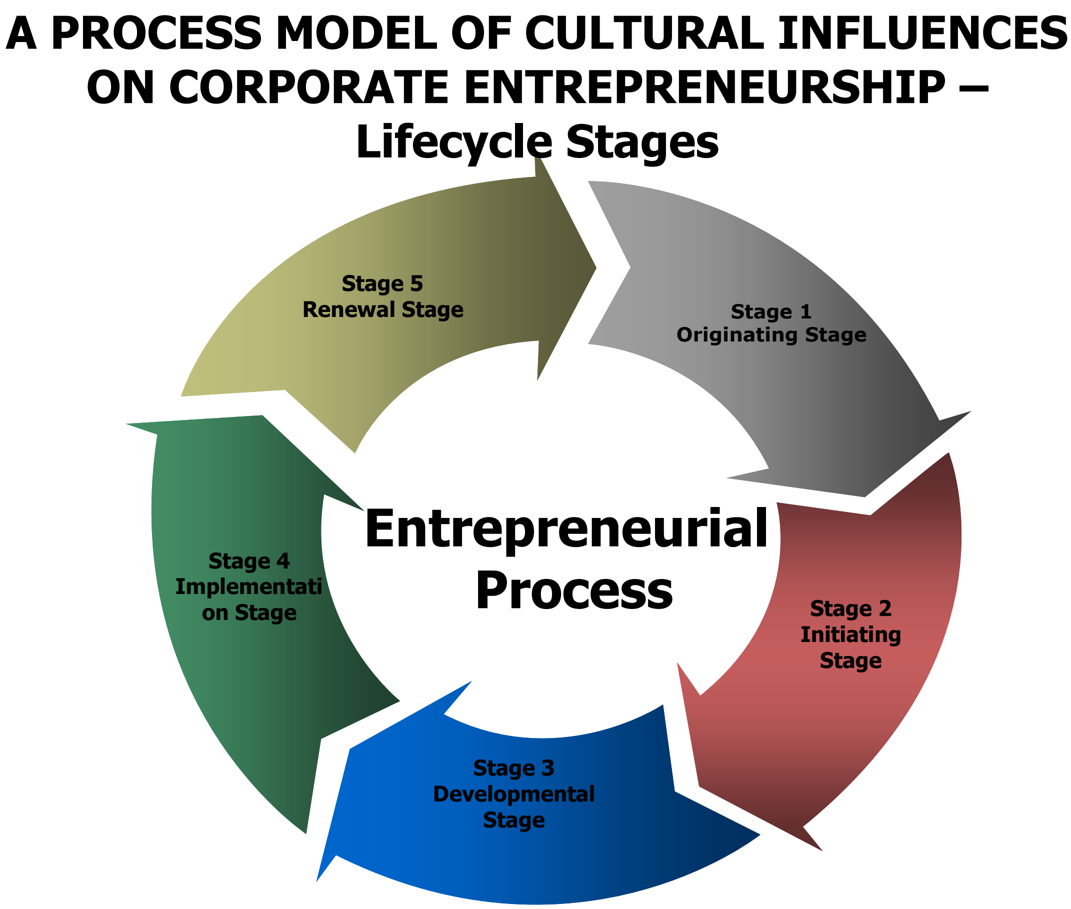
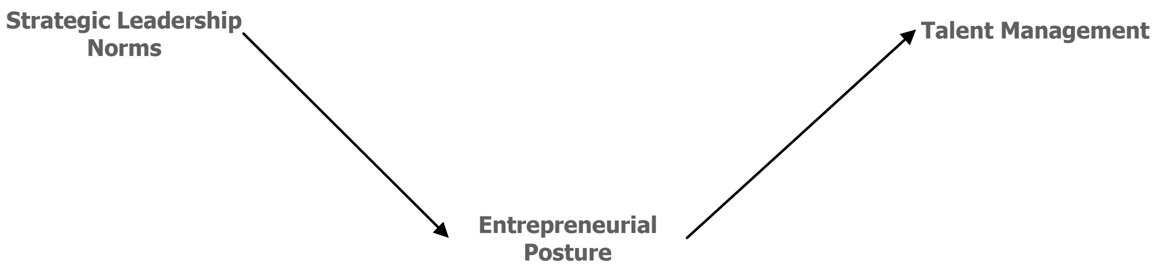


Figure 4.3: Lifecycle stages

The various stages are discussed below.

4.7.1 Originating stage

Stage 1 – Originating Stage



4.7.1.1 Objective of the stage

This is the beginning stage of the process for an organisation aspiring to have an entrepreneurial culture. For this to happen, the leadership of the organisation need to have a multitude of innate capabilities such as intuition, judgement, wisdom, experience and insight. The objective of this stage is for the leader of the organisation together with his/her senior leadership team to set the pace for the organisation and to give it a sense of image and direction.

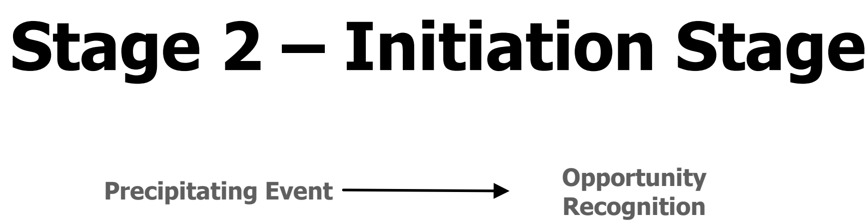
4.7.1.2 Key activities in this stage

- It is paramount to the pace of the entrepreneurial process that a clear vision be set. This, as Mintzberg (1998) defines it, is the mental representation of the strategy of the organisation. The organisation needs to establish a clear and compelling BHAG (Big, Hairy, Audacious Goal) that will serve as the future unifying focal point of effort for all to try to achieve.
- Entrepreneurial posture represents an overall strategic philosophy regarding the role and function of innovation in a firm's grand strategy. It is important that the leadership team invigorate the following in their management team:

- management’s pioneering nature and its tendency to engage in proactive competition with industry rivals;
- management’s propensity to support risky ventures; and
- the extent and frequency of product “or service” innovation.

- As Drucker (1970:10) puts it, “Entrepreneurship requires that the few available good people be deployed on opportunities, rather than frittered away on ‘solving problems’.” It is important that the right talent constantly be deployed in the organisation in order to create an organisation built on sustainability.

4.7.2 Initiating stage



4.7.2.1 Objective of the stage

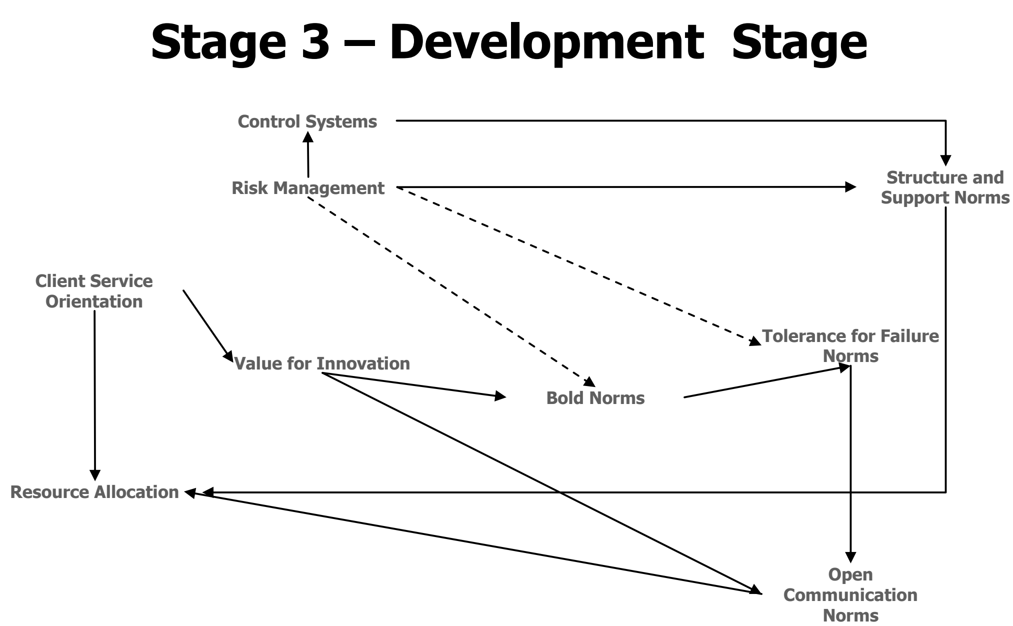
There are organisational boundaries that prevent people from taking into account problems and possible opportunities, due to practices in the organisation. The decision to act entrepreneurially and to recognise an opportunity or more importantly to communicate the opportunity that is recognised is dependant on various factors such as the management support, individual characteristics, and some kind of precipitating event. The purpose of this stage is to ensure that potential organisational barriers are adequately managed, so as to not obstruct the process of opportunity recognition once the prospect presents itself.

4.7.2.2 Key activities in this stage

- People must be encouraged to view at the organisation, its industry players, its competitions and other external forces in a broader perspective.

- When ideas are brought forward, it is important that they are recognised, even if the idea is not accepted. Management needs to show interest in ideas that are being suggested and some form of feedback needs to be given to people who have initiated the ideas.
- Standard procedures should not be encouraged at all levels of the organisation.
- Job descriptions and narrow performance standards should be avoided.
- Key competencies of individuals should be carefully assessed so that mismatches of jobs and people are avoided.
- The fostering of new and innovative ideas requires that individuals have time to incubate these ideas. Organisations must moderate the workload of people who are also pursuing valid initiatives. They should also encourage the involvement of other team members at the initiation stage, so as to increase a sense of ownership of the idea within the organisation. This will prove to be invaluable when support for the idea is required at a later stage, namely the developmental and implementation stage.

4.7.3 Developmental stage



4.7.3.1 Objective of the stage

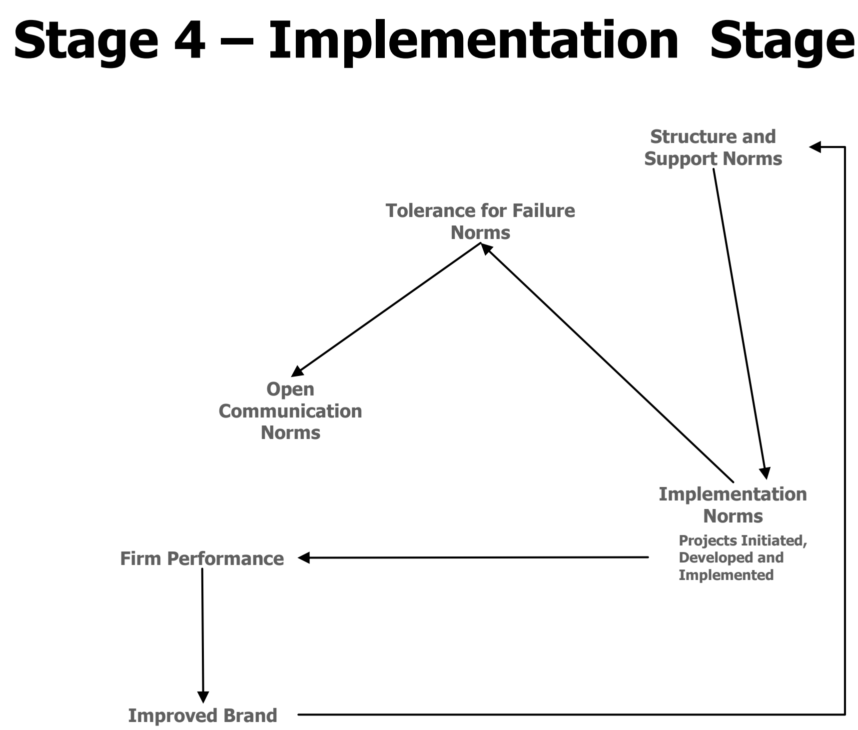
This is probably the most critical aspect of the journey. Entrepreneurship in all its excitement is less glorious than typically described. It requires a great deal of work and commitment from the management team. Ideas are often generated, but this crucial stage is where it is decided by the management of the organisation whether it will be a fruitful exercise filled with support and dedication.

4.7.3.2 Key activities in this stage

- People should be encouraged to have discretion to the extent that they are able to make decisions about performing their own work in a way that they believe is the most effective.
- Organisations should allow employees to make decisions about their work processes, particularly when individuals have gained some tenure in the activities.
- Management should be open to new ideas and not criticize people for over-stepping their boundaries.
- People, irrespective of their positions, should be expected to question proposals made by management and indicate that they have given instructions some thought before they obey. Not asking questions and conforming should not be seen as an obedience, but rather as a subservient quality which lacks boldness.
- Individuals identified as having entrepreneurial potential should be targeted for training in other entrepreneurial opportunities. These people should also be managed and mentored in order for them to add appropriate value using their innate qualities.
- Individuals who also do not possess entrepreneurial abilities should not be sidelined, because they too possess other skills for which they should be recognised. In this manner, if they, the core skilled people are recognised, it will make it easier for them also to support entrepreneurial initiatives, because they know that they will participate in the initiatives at some level.
- Also in order for the project to move along swiftly move along, it is important that a leadership champion is allocated to a specific initiative, so as to gain support at higher

levels of the organisation, so as to ensure that the entrepreneur spends more time developing the concept, rather than being challenged by organisational and bureaucratic politics.

4.7.4 Implementation stage



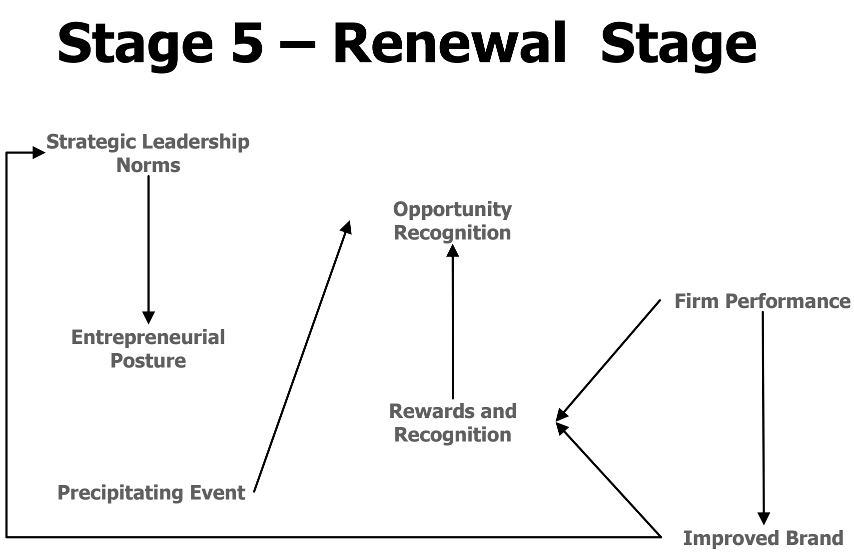
4.7.4.1 Objective of the stage

The implementation of an entrepreneurial idea is the result of the interaction of various factors already mentioned above. Having reached a stage where the idea has been generated, it is now more or less accepted by the organisation, it is imperative for the future entrepreneurial posture of the organisation that the idea is successfully implemented.

4.7.4.2 Key activities in this stage

- The main point to make at this stage is that it is important that projects initiated continue to have managerial and leadership support, which takes the form of support with various resources, such as time, money, people, office space, skills and guidance.

4.7.5 Renewal stage



4.7.5.1 Objective of the stage

This is the stage where outputs of the successful process will start a new successful process, rejuvenating the entrepreneurial posture of the organisation. This is key the rebirth of new ideas and the entrepreneurial posture of the organisation. Past successes provide a path for new successes, thus creating a virtuous cycle that repeats and strengthens itself over time.

4.7.5.2 Key activities in this stage

- Rewards and reinforcement enhance the motivation of individuals to engage in innovative behaviour. Organisations that wish to encourage entrepreneurship must provide rewards contingent on performance, provide challenges and increase responsibilities. This in turn increases the possibility of individuals who are able to recognise future opportunities.
- Positive feedback is required when ideas that were implemented are not successful. This is important so as to create an iterative learning process that provides a learning lesson for the organisation for the future. In such a system, one will be able to build ideas over time, without the fear of retribution and the organisation will be able to develop a consistent and consistent flow of innovations, some of which can radically change the scope of the industry and the organisation.

4.8 EVALUATION OF THE MODEL

Evaluation of the model was performed by an OD expert who has significant experience in the OD field, as well as another expert with a doctoral degree with a specialty in qualitative research and theory generation.

Feedback given on the initial model was that it needed to be refined so that the initial concepts that formed part of the model would relate to each other so as to promote clarity. The model was then refined and now satisfies the criteria for evaluation as described by Moloto (1999:176-177). These are listed below.

Clarity

There is evidence of both semantic and structural clarity because the definitions are considered to be adequately defined and the connections between the concepts are lucid. The evidences consistent use of definitions and structural forms in the model, lends evidence of semantic and structural consistency.

Simplicity

Simplicity is apparent in that only core concepts are utilised in the model; no unimportant concepts have been introduced to create unnecessary complexity.

Generality

Precipitating events, may provide opportunities for corporate entrepreneurship to emerge, but unless these events are taken note of and acted upon by the organisational employees, this entrepreneurship will not take place. This is where the leadership of the organisation gains the opportunity to drive the entrepreneurialism within the organisation.

Empirical applicability

Empirical applicability refers to the extent to which empirical indications are readily identified for the concepts in the model. The definitions generated for this model are specific, and sub-concepts have also been defined and explored. Therefore, there is evidence of empirical applicability.

Consequences

Evaluation is performed on how the theory guides research and practice, and it also refers to the feasibility of the operationalisation of the model in practice, education and research.

The essential consequence of this model is that it provides a theoretical framework to be utilised by management in managing the entrepreneurial process in the workplace, particularly in corporate entrepreneurship, which is seen as a means of achieving competitive advantage in the industry.

This model is unique because its readily assists in identifying a possible problem area, which can indicate the ramification of certain actions. In the case of Investec three areas were identified as possible challenge areas for the future through the findings in the interviews conducted.

Predictability

This model has progressed to the situation-relating level of theory generation and as such has inherent predictive value. The researcher can now predict the influence of certain obstacles in management behaviour and the culminating effects they would have on the entrepreneurial culture and behaviour of the organisation.

4.9 CONCLUSION

This section dealt with the comprehensive description of the structure and the process model of how cultural influences and practices affect the emergence and management of an entrepreneurial culture in an organisation

What followed was the formulation of the guidelines for the implementation of the model in practice. The model was presented to an OD specialist and a theory generating expert, who then commented on the model's usability and validity.

Chapter five will deal with the conclusions, limitations and recommendations.