

The Influence of Employee Ownership on Intrapreneurship and Growth

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Abstract: Programmes of workers' participation and profit-sharing may not be as powerful a motivation as ownership. Owners of the majority of shares might like to include managers, experts and routine workers among the shareholders. This study empirically examines the relationship between employee ownership, intrapreneurship, and firm growth. Results of the empirical analysis do not completely support the hypothesis of a positive association between employee ownership and intrapreneurship nor the hypothesis of a positive association between employee ownership and company growth. This study contributes to an improved understanding of the role of employee ownership.

Keywords: employee ownership, intrapreneurship, growth, ownership plan, entrepreneurship

JEL Classification: L26, M10, M12, G32

Introduction

Programmes of workers' participation and profit-sharing might not be as powerful a motivation as ownership. Generally speaking, most capital in the world is in the hands of external owners. Some very successful companies, however, have proven that internal ownership and entrepreneurship importantly generate motivation for the improved business operation and growth of companies. Development is ever more in the hands of medium and small firm entrepreneurs who on basis of project organisation implement successful and profitable projects (Stanič, 1997). Novelties are often initiated by people in companies that are frequently organised as partnership shareholding companies or limited liability companies in which an interdisciplinary innovation of a group of entrepreneurial people and the necessary capital are united.

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The awareness that positively motivating employees for work, creativity and protection of the enterprise's interests is crucial for a company in the circumstances of tougher and more widespread competition. In the last few decades, a number of studies on the relationship between employees' ownership and the operational issues of businesses has been carried out; most have focused on the programme ESOP (Employee Stock Ownership Plan, a programme of the planned gradual purchase of shares by employees, Rodrick, 2004). The ESOP programme determined that the contribution of employees as owners to a company's better business results was considerable; the combination of ownership and the co-operation of the employees in managing the company can be considered a powerful competitive tool, yet neither the employees' ownership by itself nor participation in management are sufficient. A number of studies has examined how a broadly conceived plan for the favourable purchasing of shares by employees will affect the business operations of a company; they have proved a positive correlation between employee ownership and business results; however, they could not provide evidence of what explains the interaction between the broader drawn up plans for the possible purchasing of shares and an improvement in a company's operations (Rodrick, 2004: vii).

Empirical results providing evidence of the above described employee ownership-related relationships with business performance are generally lacking, especially in transition economies. Hence it was decided to examine the issue in an environment where little evidence exists about the benefits of introducing employee ownership into the everyday life of the firm. This research deals with various aspects of the issue. It investigates the theoretical starting points which define internal ownership, the growth of enterprises, recognitions in the area of employee ownership and their influence on the business operations and growth of enterprises.

Intrapreneurship (entrepreneurship in existing organisations) has been viewed as an important element of firms' business performance (Antončič and Hisrich, 2001, 2004) and was found to be influenced by the extent of private ownership in general (Zahra et al., 2000) and in transition economies in particular (Antončič and Hisrich, 2003b). The focus of this study is on the link between employee ownership and intrapreneurship and the influence of the ownership on company growth. In other words, the study examines the research question: Does employee ownership generate an internal entrepreneurial culture in a company that leads to the employees thinking in a different way and consequently to a more efficient relationship to work which, in turn, contributes to growth of the company?

In what follows the research question is theoretically elaborated and developed into a specific set of hypotheses. Then, the research methodology is described and the results of empirical analysis using data from the company Primit (from the insurance services industry, employing 70 employees, listed among the 500 fastest growing

companies in Slovenia in 2003). Finally, implications for theory and practice are presented and some conclusions are drawn.

The Importance of Co-ownership and Intrapreneurship

Managers and experts capable of creating new knowledge and outperforming the competition are the crucial elements of human capital in the contemporary information society, in the globally active companies of the new economy. If this social class holds equity in their companies then these companies can be expected to make considerable headway. Self-employed people work for themselves but only produce what the market accepts. In those manufacturing and service programmes which are easier to adopt the profit decrease will due to global competition; extra profits will only be achieved by those selling their own know-how in any possible form based on innovations (Stanič, 1997).

New forms of awarding (payments according to merit, bonuses as incentives and to boost interest in quality standards, incentives for creativity, employee shareholding) enable the employees to identify with the objectives of the company, their acceptance of new culture and a new comprehension of success also through allegiance to the company. The organisation of work should stipulate a number of constraints and opportunities to be considered in this system of motivating and awarding. There is a dream about the culture of the new man who is an employee and a capitalist at the same time (western version) and a socialist and a successful person (eastern version) (Stanič, 2001: 382).

Employee Ownership Governance

Many organisations or associations take an interest in employee ownership or management (or governance) – ownership management by employees who are owners and employees at the same time. In Europe, these include the EFES (European Federation of Employed Shareholders for Employee Ownership and Participation) as one of the most significant. This organisation points out the high importance of the ownership of employees in Europe and the whole world. Transition economies are also involved in the activities of such organisations; for example, Slovenian membership is most notable in the English organisation DEZAP (an association of natural and legal persons). The associations are engaged in various activities for their members. In Europe a top list of the best companies in majority employee ownership (EFES, 2006) has been compiled to motivate companies to introduce employee ownership into their long-term business plans. In the USA one of the most powerful associations for ownership management is the NCEO (National

Centre for Employee Ownership) which has a few thousand members. Membership benefits include a monthly publication that members receive free of charge, a discount on other publications, the possibility of individual consultations and access to the database of consultants (NCEO, 2006).

Many managers think companies can be managed more easily if all employees reason and act as owners. While most owners still do not share the ownership with the employees, many managers wish that the employees would share the mode of thinking with the owners. More and more companies in the world plan to introduce employee ownership. The list of the »100 best companies to work for« in the US magazine Employee Ownership Report (Rosen 2006: 6) shows that most of those companies have ESOP or similar plans for sharing ownership. Or as Rosen indicated (2004: 13), one-third of companies on the list of the fastest growing enterprises in the USA in one way or another assure ownership to their employees. The key to the extraordinary successful business operations of companies with employee ownership lies not only in better and more work. The cause is more in the spirit of continuing innovation which is stimulated in owner-managed companies. Such companies have more employees who individually as well as in groups contribute ideas and information about how the company should progress. Innovation has usually been a sign of a successful company. In present times when the economy is based on access to information, rapid changes and globalisation the difference between winners and losers has become very important. Owners' management may be defined as (Rosen and Carberry, 2003: 4): (1) profit distribution and decision-making on the mode of distribution; (2) the sharing of information on business operations of the company with the employees; (3) training employees in their respective professions and in other fields of knowledge about the business operations; and (4) including the employees in decision-making.

Origin and Definition of Entrepreneurial and Intrapreneurial Attitudes

There are many definitions of entrepreneurship. Of the various definitions Hisrich proposes that the entrepreneurial process with the input of time and effort creates something new which has a value whereby the entrepreneur undertakes the financial, emotional and social risk and finally gets a financial reward and personal satisfaction (1989: 10). In the course of their development enterprises seek to become more efficient and therefore they become increasingly formalised and their work tasks more and more specialised. Problems with communicating and rewarding arise since undertaking the risks is less and less rewarded and even penalised. Only those tasks explicitly allotted to employees are rewarded. In measuring the results, activities with short-term financial effects are valued more highly (Pearson, 1989). Problems of

co-ordination, which are solved by means of power concentration, grow along with the size of an enterprise (Jerovšek and Rus, 1989). Size itself, however, does not affect the innovation of an enterprise. It is instead affected by factors connected with size, e.g. an organisational structure which impedes creativity and an inadequate enterprise culture (Pearson, 1989).

Large enterprises have started to look for a way of introducing elements of entrepreneurship into the existing business operations or alongside them. The key concern is not only with setting up new enterprises inside an existing organisation. All activities of an organisational character which lead to entrepreneurship inside the existing parent organisation (company) belong to these efforts and are called intrapreneurship. Searching for a response to the existing but ever changing business environment requires the comparatively faster introducing of innovations while, besides looking for technical solutions, companies are forced to seek out organisational solutions which may support the generation and implementation of innovations (Drucker, 1992). Due to the specialisation of work tasks and formalising of operations, larger enterprises which have existed for some time already leave less autonomy in work to individuals. All processes and procedures are, as a rule, more detailed than in smaller companies which means that, given their strict orientation to the efficient fulfilment of tasks, they neither stimulate nor reward the search for new ideas or proposals for more creative solutions (Kanter, 1985).

Besides internal factors in an enterprise, some reasons for change involve the external business environment which has changed a great deal in the last few decades. In developed countries the biggest shares of GDP and gross value added are generated in the services sector, which is characterised by strong dynamics of innovations and thereby a shorter period of time available for the appropriate optimising and formalising of business operations.

All of this leads companies to search for different concepts of organisation to enable them to reduce the weaknesses caused by the size of these companies and at the same time to use the available resources. These resources are actually the crucial advantage of the enterprise and an advantage of intrapreneurship over classic independent entrepreneurship.

Intrapreneurial (Internal Entrepreneurial) Culture

Part of a more typical corporate culture is a system of rewards and an inclination towards conservative decision-making. Large quantities of data are collected to later serve as a basis for rational decision-making and for their substantiation. The crucial rules of this culture are: comply with the instructions, do not do mistakes, do not disappoint, do not offer suggestions, wait for instructions and keep to your job

activities. However, the aspects of an internal entrepreneurial culture are entirely different (Antončič et al., 2002: 63) for they: (1) develop visions, objectives and plans of activity; (2) reward for executed actions; (3) make proposals, try and experiment; (4) create and develop irrespective of the field of activity; and (5) undertake responsibility and ownership.

The internal entrepreneurial culture is involved with specific types of rules and values. Instead of a hierarchical structure, it maintains an internal entrepreneurial atmosphere, a flat organisational structure where there is room for networking, teams, sponsors and mentors. Tasks are accepted as fun and the participants work with pleasure as long as necessary to carry them out. Instead of confining oneself to one's job only, the employees will be stimulated to give suggestions in their departments or divisions which bring about the cross-fertilising of ideas (Antončič et al., 2002).

The Importance of Employee Ownership

A human being tends to have an innate need to control or at least to perceive himself as being in control of their life and consequently they tend to economise on their resources and assure their share in them. This is not always easy and the person involved has a few options (Maaloe, 1998: 38): (1) to endeavour to improve some of their abilities; (2) to try to fight against those who in their opinion stand in their way either directly with political measures or indirectly by withdrawing assistance; (3) to invent big plans that will make them important; and (4) to seek the company of those who will help them prove that they are in a certain sense a professional or a skilled person. These items suggest that ownership in a company where one is employed can be seen as a way to realisation of this innate need. However, certain conditions need to be fulfilled; one of the most important is to work in an environment with high ownership ethics (a moral principle on the acceptability of employee co-ownership in a certain work environment).

The ownership of capital as mentioned by Rosen, Case and Staubus (2005: 11) considerably increases the business capability of an enterprise: (1) enterprises introducing employee ownership by means of ESOP would increase their productivity by four to five percent yearly which will be maintained in the next years; (2) employee ownership increases the stability of employment and reduces the fluctuation of staff; and (3) employee ownership is positively correlated to faster growth in the number of employees and improves the survival probability of the enterprise. For these reasons, it is not surprising that in companies with high intellectual potential (e.g. in technologically highly developed companies) employee ownership is widely accepted and implemented. More and more companies are

becoming interested in the ideas of development, process improvement, quality assurance and other concepts of change making employee ownership some sort of a rule. Privatisation can be beneficial to the development of entrepreneurial activities and intrapreneurship (Zahra et al., 2000; Antončič and Hisrich, 2003) and in the form of employee ownership it can offer incentives for increased innovation activities (Antončič et al., 2002), which are considered the building blocks of intrapreneurship (Antončič and Hisrich, 2001, 2003a). On the basis of the above arguments, the following hypothesis is postulated:

Hypothesis 1: Employee ownership will be positively associated with intrapreneurship.

The Influence of Intrapreneurship on the Growth of Enterprises

Intrapreneurship tends to positively influence the growth and profits of enterprises in absolute and relative terms (Antončič and Hisrich, 2001, 2004). Also in the future those enterprises will be successful where values are maintained and organisational structures introduced which favourably influence the development of entrepreneurial activities. These are above all open communication, the formal supervision of projects, a thorough analysis of the environment, management and organisational support, participating in strategic connections and organisational values. These all contribute to the enterprise becoming more entrepreneurial and innovative in the broadest sense of the word. For enterprises with a flair for entrepreneurship it is significant that they take up new jobs, create new units, are innovative and are constantly renovated.

Reasons and Motivations for Entrepreneurial Growth

For dynamic entrepreneurs or dynamic enterprises there is no dilemma as to whether to grow or not, yet from different aspects the desire for growth has varying levels of importance. In the first place it depends on the expected results of growth (Hanks in Chandler, 1994), which differ as a result of the specific environment, enterprise and entrepreneur. The expected results of a successful enterprise have a material and non-material nature.

Sometimes the reasons for an enterprise's growth are subjective in nature. One of these is social pressure since the success of an entrepreneur or manager in society depends on how successfully they can lead an enterprise towards faster growth. In an economy where growth means success the growth of an enterprise is very important.

The growth of an enterprise enables the growth of management levels and thereby of the leaders, supervisors, managers and other leading staff. This enables the employees to be promoted which is often the most significant stimulant for dedicated work which, in turn, leads a company to better results. An entrepreneur is also defined as a creative persona and since the enterprise's growth is a challenge they simply cannot resist it (Tajnikar, 2000). From the point of view of a growing business it is very important that expectations with which the entrepreneurs and investors enter growing businesses are taken into account. An entrepreneur is often addicted to doing business. They are someone who is made for creativity and generating new entrepreneurial ventures. Their motive will be that the investment in the business bears fruit. Linking the entrepreneurial expectations and expectations of investors means designing a strategy of harvesting within an enterprise and, through everyday management of a company, implementing it to please the investors and to fulfil their expectations (Tajnikar, 2000).

Overall, a positive relationship between employee ownership and growth can be expected. Employee ownership is believed to produce positive effects (Rosen, 2004; Rosen, Case and Staubus, 2005) that can result in an improved long-term firm performance (Antončič et al., 2002). Based on the above, the following hypothesis is formulated:

Hypothesis 2: Employee ownership is positively associated with the growth of a company.

Methodology

The methodology is presented in terms of research and data collection methods, along with methods of analysis.

Research and Data Collection Methods

The initial method used to study the concepts of employee ownership which served in obtaining the necessary data to compile a questionnaire was the qualitative method of analysis. From the qualitative point of view, we were interested in those aspects of employee ownership which influence their relationship to work. Detailed interviews with three employees of Primit (a member of management, head of the internal entrepreneurial unit, and with an insurance agent) were conducted. The aim of these interviews was to select the most important aspects of the research and to obtain key verbal information in connection with employee ownership in order to form key

questionnaire items for the quantitative part of research. For the main part of the research a questionnaire was composed to collect data for subsequent analysis. The questionnaire was distributed to all employees of Primit. It was drawn up to enable a comparison of the relationship to work for various groups of employees.

Sample. The research was limited to one enterprise. Considering the chosen methods of collecting the data there were two ways of selecting the sample. For the introductory part of the research, in order to carry out the detailed interviews a non-probability designed sample was used. The respondents were selected according to their work efficiency and their position in the organisation to be researched: for each organisational level (of the three) one representative and the most successful one in 2005 among all at the individual level. The most successful individuals were selected from their fields of work: a senior officer in marketing, head of the internal entrepreneurial unit, and an insurance agent. We decided to select the most successful individuals because in our opinion they are oriented to success, development and personal growth and it is therefore sensible to look there for the triggers of success of other employees and of the enterprise.

For the main part of the research another method for data collecting was applied: data were collected from the whole population (census) – all employees of Primit. We decided on this method since the number of employees in the enterprise where the research was carried out represents an acceptable quantity in terms of reasonable time and expenses consumed for the questionnaire and at the same time a number that can be considered sufficient for the purpose of the analysis. The researched population comprised 69 employees (23 males and 46 females), 13 of whom have a regular employment contract while 56 work as subcontractors. These included 13 owners and 56 non-owners.

The detailed interviews. The main feature of the non-standardised and semi-structured interviews was the personal talk between the respondent and the interviewer. The questions were open as this was the initial stage of research that intended to study the concepts of employee ownership, to give the interviewee enough freedom in responding while directing them to the desired issues. A list of only five questions and the topic of the research (to be gathered from the central question of the research: ‘What relationship to work would you have if you were a co-owner of the company?’) were prepared in advance.

The whole procedure of preparing the interviews, their execution, analysing the data and drawing the conclusions took the form of a case study (details can be obtained from the authors). As mentioned above, detailed interviews were conducted with three successful employees of Primit. The aim of these interviews was to select the most important aspects of the research and to acquire key verbal information in connection with employee ownership. The analysis of the responses resulted in five

categories i.e. the key issues concerning the topic which arose in all three interviews. These categories were then used to formulate the questions in the main questionnaire.

Instrument – questionnaire. The questions were formulated in terms of contents connected with the topic. Therefore, by analysing the responses we could obtain a reply to our research question and test the two hypotheses. A covering letter was attached to the questionnaire to inform the respondents about the aim of the research and to confirm the anonymity of the responses. At the end they were thanked for their co-operation. The questionnaire was divided into four thematic chapters (demographic information, intrapreneurship, questions related to growth of the enterprise and employee ownership).

The questions on demography and one other question were categorical whereby the respondents circled one of the possible answers. The remaining questions (except one that was open-ended) were Likert-type five-point scale questions. The applicability of the questionnaire had been pilot-tested on three people not employed in the enterprise that was the subject of the research in order to ensure the appropriate comprehension of the questions.

Methods of Analysis

The data stemming from the questionnaires was analysed by means of descriptive statistical methods using the frequencies of variables and the correlations among them by employing the SPSS software (Statistical Package for the Social Sciences).

The statistical significance and significance of correlations (associations) between one variable and the others were sought where this one variable was ownership. The statistical significance of the association between ownership and the rest of the variables was determined by means of contingency tables with chi-square tests. Since some of the contingency tables did not fulfil the conditions for the application of the usual Pearson chi-square test, statistical significance was evaluated on the basis of the exact method. The criterion for the rejection of all null hypotheses was set at the error probability of $\alpha = 5\%$.

To determine the strength of the association of ownership with other variables we used Cramer's V-coefficient in case the other variable was at a nominal level. The statistical significance of Cramer's V-coefficient is same as with chi-squares and that is why in the tables only one is presented. Should the other variable in the contingency table be ordinal then Somer's D coefficient was used and the exact statistical significance calculated. If the causal connection between the variables were known then an asymmetric D was applied (when not known a symmetric D was used).

T-test for testing the hypotheses. From the responses to the selected questions, which may be considered as Likert's scales, the mean values of positions were calculated. For the new variables obtained, which we may assume occupy the interval level of measurements, we tested differences between owners and co-owners with a t-test for independent samples. In the testing equal variances are assumed in both groups (owners and non- owners). This equality of variances is tested with Levene's test. The F-value and its statistical significance (p) were considered (a statistical significance level of 5% was considered). So that the probability is high enough for the variances to be equal the usual t-test is applied. If variances are not equal ($p < 0.05$) then an adjusted t-test must be used, whereby non-equal variances are assumed.

Results

The results are presented in terms of the analysis and interpretation of the association between ownership and other variables, a testing of the hypotheses, and an analysis of the mean values.

Analysis of the Association between Ownership and Other Variables

Tables 1 and 2 only show the results of the analysis of responses to questions where ownership is statistically significant and associated with the variable used to carry out the comparison was stronger than for the other cases (in the analysis we decided to take into account those questions with V resp. $D > 0.24$).

Table 1: Results of comparisons of ownership with other variables*

Criterion	Type of variable	Variable depend.	χ^2	Cramer V	$p(\chi^2)$, $p(V)$	Somer's D	$p(D)$
Type of employm.	both ordinal	symmetric	26.60		0.00	-0.62	0.00
Level in structure	both ordinal.	symmetric	57.03		0.00	0.51	0.00
Number of empl.	both ordinal.	own.variab.	24.48		0.00	0.32	0.00
Status	one nominal.	symmetric	4.42	0.25	0.12		
Years of experience	both ordinal.	own.variab.	36.85		0.00	0.23	0.00
Marketing type	both ordinal	symmetric	9.54		0.05	0.26	0.01
Uncertain decisions	both ordinal.	symmetric	6.40		0.17	0.24	0.02
Mode of sales	both ordinal	symmetric	9.02		0.06	0.28	0.01

Entrepr. venture	both ordinal.	symmetric	6.79		0.08	0.24	0.02
Capital gains	both ordinal.	symmetric	5.74		0.12	0.26	0.02
Profitabil. of enter.	both ordinal.	symmetric	7.96		0.06	0.29	0.00
Price of services	both ordinal.	symmetric	12.11		0.02	-0.29	0.00

*The case of explaining the statistical significances between ownership and the type of employment in the table: both variables are ordinal, ownership is statistically significantly associated with the type of employment ($\chi^2 = 26.6$, $p < 0.0005$) in a considerably negative association ($D = -$ ($p < 0.0005$)). The probability that the hypothesis is valid is low ($p < 0.0005$) and will therefore be rejected and the hypothesis that the association exists will be accepted.

Table 2: Association between the questionnaire items and the results in Table 1

Criterion	Statistical significance of association – D,V	Description of association
Full-time job	D = -0.62	The association is comparatively strong and negative which means there is a higher probability that employees when they become owners will have a full-time job with the company.
Level in structure	D = 0.51	The association is comparatively strong and positive which means that employee-owners are on a higher level in the company structure.
Number of employees	D = 0.32	The association is weak and positive which means the employee-owners are superior officers compared to other employees.
Status	V = 0.25	The association is weak and positive which means the employee-owners are more enthusiastic in introducing new styles of marketing insurance services.
Years of work experience	D = 0.26	The association is weak and positive which means that employee-owners have longer work experience in Primit.
Marketing method	D = 0.26	The association is weak and positive which means the employee-owners are more enthusiastic in introducing new marketing methods for insurance services.
Uncertain decisions	D = 0.24	The association is weak and positive which means the employee-owners are more ready to adopt crucial decisions in uncertain conditions.
Sales methods	D = 0.28	The association is weak and positive which means the employee-owners are more determined to introduce new sales methods and methods of acquiring new staff for their groups.
Entrepreneurial venture	D = 0.24	The association is weak and positive which means the employee-owners are motivated by the entrepreneurial venture e.g. opening of a new office, building of structures etc.

Capital gains	D = 0.26	The association is weak and positive which means that capital gains are more important for the employee-owners.
Profitability of enterprise	D = 0.29	The association is weak and positive which means that the profitability (rate of return) is more important for the employee-owners.
Price of services	D = -0.26	The association is weak and negative which means that the employees-owners more firmly believe that prices of the services they sell are not a competitive advantage in the market.

Table 2 reveals statistical significance when comparing the position of employees who are owners and those who are not with regard to the criteria in individual questions. Explanations of the associations are described in Table 2.

Interpretation of the Association between Ownership and Other Variables

The results of analysing the association of ownership and other variables follow: (1) For most of the responses we can say there are no statistically significant associations between ownership and the other variables. (2) A comparatively strong association was only determined between ownership and a full-time job where the owners are predominantly employed full-time and between co-ownership and the structure of the company where the employees work and where the co-owners are on higher levels than the non-owners. The other statistically significant associations are weaker; their detailed descriptions are given in Table 2.

Testing the Hypotheses

The two hypotheses were tested by means of the results obtained by comparing the responses of owners and non-owners for individual groups of questions which were tested with a t-test for independent samples. Figure 1 graphically demonstrates the mean values of the responses which differentiate significantly only with the IE2 and IE4 groups of questions. For the rest of the groups of questions the responses are very similar. Similar results are obtained when tested with a t-test as shown in Table 3.

The first hypothesis states that the employee ownership is positively associated with intrapreneurship. It was tested through five groups of questions referring to intrapreneurship (IE1, IE2, IE3, IE4 and IE5). On the whole this hypothesis was only partially confirmed. If we look at individual groups of questions, statistically significant differences are observed between the owners and co-owners with the groups of questions IE4 ($p=0.009 < 0.05$) which confirms the hypothesis. With the IE2 group of questions the hypothesis was only partially confirmed and statistical

significance was at the limit of rejection ($p=0.078$, which is more than 0.05). With the IE1, IE3 and IE5 groups of questions the hypothesis was not confirmed.

Table 3: Independent common test*

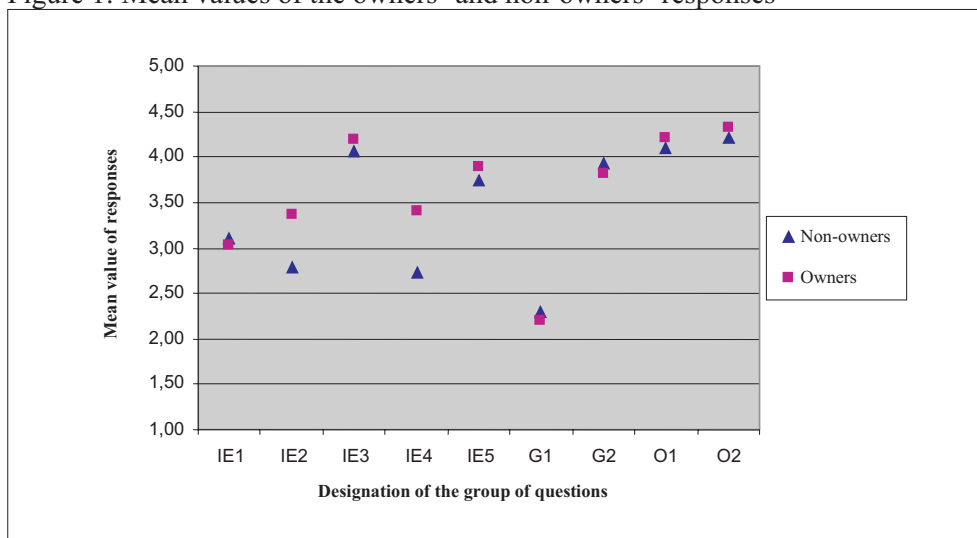
Designation of question		Levene's test on equality of variances		t-test for independent samples		
		F	p	t	df	p
IE1	Assumed equal variances	0.068	0.795	0.209	67	0.835
	equal variances are not assumed			0.202	17.286	0.843
IE2	Assumed equal variances	0.282	0.597	-1.789	67	0.078
	equal variances are not assumed			-1.850	18.728	0.080
IE3	Assumed equal variances	2.174	0.145	-0.759	67	0.450
	equal variances are not assumed			-0.919	23.568	0.368
IE4	Assumed equal variances	4.614	0.035	-2.147	67	0.035
	equal variances are not assumed			-2.830	27.870	0.009
IE5	Assumed equal variances	0.012	0.914	-0.628	67	0.532
	equal variances are not assumed			-0.654	18.879	0.521
G1	Assumed equal variances	0.537	0.466	0.431	67	0.668
	equal variances are not assumed			0.374	15.704	0.714
G2	Assumed equal variances	1.480	0.228	0.686	67	0.495
	equal variances are not assumed			0.738	19.682	0.469
O1	Assumed equal variances	2.607	0.111	-0.405	67	0.687
	equal variances are not assumed			-0.537	28.158	0.596
O2	Assumed equal variances	2.771	0.101	-0.774	67	0.441
	equal variances are not assumed			-0.920	22.859	0.367

*The explaining case: explanations of question IE1 in the table: $p = 0.79$ mean there is a high probability that the variances are equal and that is why the common t-test may be applied. Its value is 0.21, the significance level is $p = 0.84$, which is more than 0.05 (5%) and which means there are no statistically significant differences in the population.

The other hypothesis which maintains that there is a positive association between employee ownership and enterprise growth was not confirmed since in all G1 and G2 scales of questions that refer to enterprise growth the differences between owners and non-owners were statistically insignificant ($p>0.05$) (see Table 3). We may presume

that in the event the non-owners became owners the opinion on growth of the enterprise would not change. If we look at the analysis of responses referring to employee ownership (O1 and O2), we can also see there are no statistically significant differences between the responses of the owners and non-owners ($p > 0.05$). We may assume that the owners and non-owners have very much the same opinion on ownership in the enterprise as when non-owners would become owners, respectively the opinion in the population as a whole would thereby not change.

Figure 1: Mean values of the owners' and non-owners' responses



Analysis of the Mean Values of Responses

The data presented in Figure 1 may be analysed from the point of view of the absolute mean values of the responses. Since the responses are on a five-point Likert scale reflecting the viewpoints of respondents classified in categories from 1: those who disagree to 5: those who expressed a high level of agreement, from the mean values of the questions referring to the subject of investigation we can find out the prevailing attitudes in connection with them. As mentioned, the IE1, IE2, IE3, IE4 and IE5 groups of questions refer to intrapreneurial issues. If we look at Figure 1 we see that the average values for the responses of the owners are well above 3 which shows a high degree of intrapreneurial culture. With non-owners the average values are very much lower and with IE2 and IE4 they fall under 3 which points to a state of equilibrium and indirectly to the growth of the enterprise. With the G2 group of

growth questions the responses show a high average value which, considering how the questions were put, may be interpreted as showing the respondents are convinced they have an advantage over their competition which, in turn, enables their personal growth and thereby the growth of the enterprise where they are employed.

Discussion and Conclusion

Intrapreneurship aspects can be considered important for each enterprise striving to develop and grow. It is all about introducing a suitable intrapreneurial culture, adopting special rules and values among the employees, and innovative attitudes in all segments of work. It is also about the desire and capability to undertake risk, about proactive behaviour and about continuing the development of services, products and technology.

The research in the company Primit showed that the company still has some reserves in this field, above all with employees with shorter work experience in the company who are not yet owners. It cannot be said that there are truly favourable conditions in the company to develop intrapreneurship but in some segments of business operations the situation is very good e.g. the enterprise technology that the respondents designated as advanced with a mean evaluation of slightly above 4. Antončič et al. (2002) point out that intrapreneurship positively affects a firm's growth and profits in absolute and relative terms. With this in mind, we might predict that Primit will start growing faster when the employees' values which define the dimensions of intrapreneurship change, when the organisational structure is more flexible, when communication is even more open and management support is stronger. The enterprise will then become more enterprising and innovative in the broadest sense of the word.

Answers to questions that define the field of growth of the enterprise show that the employees display attitudes that enable the enterprise to grow. These are above all attitudes in the field of personal development which they only perceive weakly and the advantages in comparison with others in the market which in their opinion are high in various areas.

The highest values were seen in responses to the question about employees' attitudes to the ownership. These show that the employees value highly the possibility of becoming owners and are ready to work better and more to become or better when they become owners.

The research only partly confirmed the hypothesis of a positive association between employee ownership and intrapreneurship. We did not confirm the hypothesis of a positive association between employee ownership and enterprise growth. In other words, we can say that the attitudes of the owners of Primit only

partly differ from the attitudes of non-owners and therefore we cannot claim that the conditions for the intrapreneurial behaviour of the employees would improve essentially were the majority of employees to acquire ownership shares in the company. Similarly, we cannot claim that in the case of extending ownership to non-owners the enterprise would grow faster.

The crucial finding of this study is that attitudes to intrapreneurial culture and to the other attitudes important for growth of the enterprise in the enterprise concerned have not changed despite the fact that the employees have become owners. The attitudes of non-owners are almost the same.

The implication for the theory this research contributes is that co-ownership of employees as such does not positively influence the growth of the enterprise. Employee ownership should be observed from the point of view of its content and other elements should also be taken into account. This study also contributes to the existing research pool by linking the fields of intrapreneurship, enterprise growth and employee ownership within a single investigation. Theoretical bases have been checked in a specific enterprise. This led to conclusions which scientifically contribute to an understanding of the issues and at the same time enable new insights in practice – in the enterprise that was investigated – and which will represent a basis for future improved business decision-making.

The results of the study, in our opinion, can be used by companies that are similar to Primit and operate in similar industries, particularly enterprises that trade in services, have a system of salaries according to results and not merely the hours spent there, where team spirit prevails, and where there is a flat hierarchic organisational structure.

The chief limitation of the research was that data from one enterprise (and one country) was used. We therefore see the possibilities of further research in elaborating a similar study on the influence of internal ownership on the development of intrapreneurial culture and of the growth of an enterprise by using a representative sample of firms of one country or in a cross-country study including two or more countries. In this way, the results could be further generalised. Despite these limitations, this study contributes to an improved understanding of the role of employee ownership, particularly of the relationship between employee ownership, intrapreneurship and firm growth.

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