

The Factors Influence Intrapreneurship Behavior In Construction Company

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Abstract: The intrapreneur is a person who focuses on innovation and creativity and who transforms a dream or an idea into a profitable business within the corporate environment. Intrapreneur spirited employees willing to take the risks and responsibility for their own decisions for all situational. This study aims to develop a conceptual model of intrapreneurship behavior by discussing the concepts and phenomena that occur in the construction company. The proposed model is intended to describe the phenomenon of the main factors intrapreneurship behavior in the construction company. This paper presents a model of the intrapreneurship behavior where factors are sourced from both internal and external organization. This paper provides a comprehensive analysis of existing models to develop a systematic approach to the process of formation of intrapreneurship behavior in organization. The results are a combination of study of various scientific papers, interviews to the practitioner in the construction business and resume of all questioners, especially in the construction company. The results can be a framework that can help organizations to identify potential strategies that could help intrapreneurial development. Based on the analysis results, we found eight (8) factors that can develop employee's intrapreneurship behavior on the construction companies. The eight (8) factors are : leadership, remuneration, organizational culture, communication openness, work environment, career development, personal traits and technological aspects.

Keyword: intrapreneurship behavior, construction company, Internal factors, external factors

1 INTRODUCTION

Construction services is a sector that plays an important role in the development of Indonesia. Through this sector, the physical progress of the construction can be seen directly. Construction company commonly simply said as contractors. Contractor is a institution / person performing business of Engineering, Procurement and Construction (EPC) activities in the form of goods or services paid with the value of the agreed contract. Contractor is itself a service in the form of procurement of goods and services related to the construction works. The various fields in this sectors can be construction of roads, buildings, bridge construction, Power Plants, industries, workshop and so on. Facing the implementation of the ASEAN Economic Community in 2015, the construction sector businesses should be able to prepare themselves because there will be open competition among Indonesia companies / workers and foreign construction companies / workers in this internal market. Implementation of the ASEAN Community could be troubling if domestic companies / workers were not ready yet to compete among Asean companies / workers. The main gaps are on the certification and the handicap with the ability to use International language. As the Indonesian goverment and also some privat investor both domestic and foreign plans to built many large scale projects with some sectors throughtout Indonesia, there will be a huge potential markets. The readiness of our domestic source are really requested. Unless, all this potential market will be taken by others foreign companies / workers. Contraction company that was awarded a contract on a project will carry out the construction work. Construction work or construction project has a goal of construct a physical building that meets all requirements (specifications) with the specific scope of works.

EPC activity produces an output different from the manufacturing industry. In the construction company, the production process in the project always interfered by others. As known, the project owner usually placing a consultants company to oversee activities during construction on the project site. The character of construction service is dialectical, it means the construction company has business opportunities to be profitable or opositely got bad risks at the same time. Construction services needs tough management skill. Toughness management relies heavily on the role of human resources. It is an important element in the company (Griffin, JA, 2010). The characteristics of construction services, the contractor must be able to confront and control the factors that hinder the organization's goals, for it takes manpower or HR (human resources) support so that companies can grown well. The construction company needs necessary human resources or workers who are proactive, creative and innovative with the insight and vision the future (Sudarto, 2011). The company needs worker has entrepreneurship behavior that called intrapreneurship behavior. This research will create a model to analyze the factors that influence the employees intrapreneurship behavior at the company contractor.

2 LITERATURE REVIEW

Intrapreneurship is entrepreneurship in the company (enterprenership inside of the organization) or it can be said that intrapreneurship is entrepreneurship inside the company. Intrapreneurship concept first merged in 1973 by Susbauer in his article titled "Entrepreneurship Intracoporate: Programs in American Industry," and then popularized by Pinchott (1985) and Burgelman (1983). Intrapreneurship is rooted in entrepreneurship (Asef Karimi, et.al; 2011, Amo and Kolvereid, 2005; Antoncic, 2001). Intrapreneurship is a sub-field of entrepreneurship (Antoncic and Hisrich; 2003). Intrapreneurship is entrepreneurship that exists in an organization (Hisrich and Peters, 1995; Stevenson and Jarillo, 1990). There are some differences between intrapreneurship and entrepreneurship. First of all, intrapreneurs make the risky decision to use company resources to carry out its activities, entrepreneurs use their own resources (Antoncic and Hisrich, 2001; Morris et al, 2008). Secondly, intrapreneurship activity occurred among employees within their organization, while

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entrepreneurship tends to be particularly externally focused (Amo and Kolvereid, 2005; Antoncic, 2001; Antoncic and Hisrich, 2001; Davis, 1999). Although entrepreneurship and intrapreneurship have important differences, they also have some connection because intrapreneurship happens in an organization (Antoncic, 2001; Davis, 1999, Asef Karimi, et al, 2011). Intrapreneurs are working in organizations that already have their own rules, systems, procedures and bureaucracy (Antoncic and Hisrich, 2001; Davis, 1999; Honig, 2001). An entrepreneurship is one that focuses on innovation and creativity and transforming a dream or an idea into a profitable venture that operated within the scope of the corporate environment. Princhoff (1985) Therefore, in order to be successful intrapreneurship must be implemented in the company's strategy. De Jong, J.P.J. & Wennekers, S. (2008) states that the behavior of intrapreneurship is entrepreneurial, proactive and innovative, while according to Lumpkin, GT (2007) and Suryana, Y and Bayu K (2010), there are five dimensions forming intrapreneurs orientation is autonomy, Innovativeness, proactiveness, risk taking and competitive aggressiveness, Biemans, et.al. (2011), states an important factor in intrapreneurship is creative, initiative, responsible, opportunities, responsibility, risk takers, developing, while according to Parker and Collins (2008), the concept of behavior intrapreneurship is taking charge, voice, individual innovation, problem prevention, feedback inquiry, feedback monitoring. Intrapreneurship is thought the concept of employees acts as an entrepreneur, but in the company. Intrapreneurs act independently, proactively, bringing new ideas, which means that it brings innovation to the company. He / she thought as an entrepreneur, but in his / her company, in a small world that he / she understands perfectly. An employee is one of the tools for a company to be successful in the market and survive in the global economy. Antoncic (2007) mentions antecedent intrapreneurship divided into two: the environment (environment) and the organization (organization).

1. The positive environmental factors include the dynamism of technological opportunities, industry growth, and demand for new products, while antecedent undesirable for the environment include unwanted changes and high competition.
2. In terms of organization, organizational characteristics that can encourage intrapreneurship is an open system, formal control in intrapreneurship activity, intensive removal on the environment, organizational support, and values of the company.

In his research, Antoncic (2007) proved that intrapreneurship positively correlated with growth (growth company), and also demonstrated that the environmental dimension and characteristics characteristics was positively correlated with intrapreneurship. Eesley, D.T., & Longenecker, C.O. (2006), suggests 10 main obstacle in intrapreneurship include:

1. Punishing for risk taking, new ideas and errors
2. The idea without follow-up
3. Failure in granting sanction, promotion and no encouragement intrapreneurship
4. Unhealthy politicking in organizations
5. Poor communication between employees and customers
6. Employees are not encouraged to think to look for opportunities

7. The mission, priorities and objectives are not clear
8. Lack of management support
9. Do not reward the activities that generate progress and risky decision-making.
10. Limitations of time and resources

This concept of intrapreneurship above describes the definition and dimension of intrapreneurship. Based on the theory of De Jong, J.P.J. & Wennekers, S. (2008) dimension of intrapreneurship is proactive dimension, the dimension of innovative, aggressive competition and risk-taking. Menzel (2008) and Antoncic and Antoncic (2011) states intrapreneurship occurred in two levels: the organizational level and at an individual level. Leadership is a dynamic process in which a boss influencing subordinates so as to contribute and excel in the task group (Muller, R. and Turner, R. 2009). Supervisor's leadership style is critical in shaping behavior (Huang and Lin, 2006). Support from superiors will increase the desire to innovate. Leadership is vital for any construction company and the leadership style and practice is an important variable that has an important role in the success of the project management (Tabassi and Burn. 2009) Organizational culture is an important antecedent in the development of entrepreneurship in the company (Hisrich and Peters, 1986; Brazeal, 1993). Entrepreneurial orientation depends on its cultural foundation, Lee and Peterson (2000). Organizational culture and work environment positive effect on the mindset of entrepreneurship and intrapreneurship, De Coning and Rekha, SK Ramesh, S., & JayaBharathi, S. (2015). Attractive reward system that encourages behavior intrapreneurship (Bhardwaj, BR, e.al. 2004). Kuratko et al. (2005) showed a positive relationship between internal factors in organizations that support the management, employment policies, reward / reinforcement, the availability of time and organizational boundaries) with intrapreneurship, Jasna, AA and Antoncic, B., (2011) finding that the employee relations; remuneration, benefits and organizational culture and employee loyalty influence intrapreneurship. Gupta, A and Srivastava, N., (2013) finds rewards are not the most significant factor in motivating employees for taking risk and innovation. The flow of information in the organization is critical and important to innovate (Pinchoff, 1985; Wong, 2005; Lesjak and Vehovar, 2005). Disclosure of communication (quantity and quality of communication) is an important element in running intrapreneurship (Antoncic, B. 2007; Zahra, 1991) . Effective communication is needed workers in working on a construction project (Sundar, S.B., 2011). The working environment will encourage innovation behavior of workers of construction companies (Tabassi and Burn, 2009). Personal traits as Individual factors influence intrapreneurship (Fenhan, E., 2014). There are two factors driving intrapreneurship are sourced from within the organization and sourced from outside the organization or environment. Antoncic, B. (2007). Based on literature review, there are more than 15 factor influence the intrapreneurship behavior but after have preliminary interview with the employee, the researcher has classified them in 8 broad categories for the convenience of analysis. these categories are leadership, remuneration organization culture, communication openness, work environment, career development, technology, personal traits.

3 METHODOLOGY

Data collection techniques used in this study is to interview and spreading the questioner. Part of the primary data collected for this study is the perception or opinion of respondents. Questioners contain statements relating to the variables by using a likert scale with five scales: (1) Strongly disagree; (2) disagree; (3) doubtful; (4) Agree; and (5) Strongly agree. From the 150 questioner distributed there are 100 data collected. Respondents in this study were employees working at a construction company with intermediate grade. The sampling technique used was purposive sampling. Respondents were chosen is a permanent employee whose work relates to the field on the construction project manager or supervisor positions are not employees of administration. 74 % respondents were drawn employee from medium size construction company and 26% respondent from large construction company. In addition to spreading the questioner conducted interviews with respondents. Interviews conducted interviews two forms: an open interview and the interview focused. Open interviews conducted prior to deployment questionnaire. In the preliminary interviews the respondents were asked to tell and describe the fact of the general situation and conditions in their company. Focused interview conducted after respondents fill out the questionnaire. At this interview respondents were asked to express opinions and their perceptions of matters relating to the variables studied. The data obtained were analyzed using factor analysis by performing the extraction of the existing variables so as to form one or several factors. The first performed by using the correlation matrix testing the amount of Barlett Test of Sphericity or by Measure Sampling Adequacy (MSA). Factor rotation process is then performed to clarify the variables that go on certain factors. In doing this extraction process used method of Principal Component Analysis. After composed of several factors, then analysis the data with regression analysis. Chronology of the research can be seen in the diagram below:

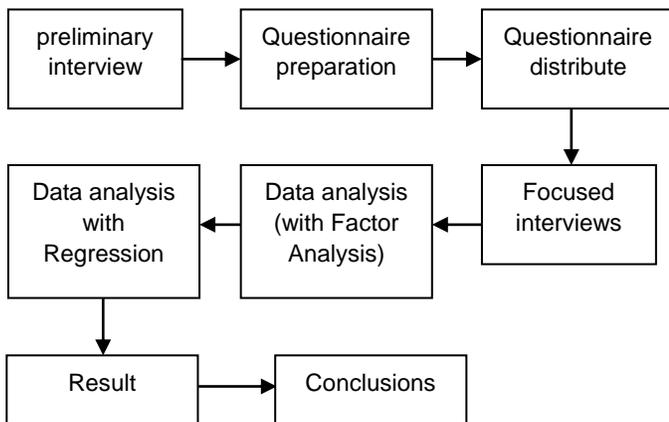


Figure 1. Flow of research

4 RESULT

The test results MSA value of 28 component gained question 27 that meet MSA value above 0.5 which means it can be continued on the next stage of the process of factor analysis to form 8 factor (Table 1.)

Table 1. Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.058	18.734	18.734	5.058	18.734	18.734
2	3.218	11.919	30.653	3.218	11.919	30.653
3	2.200	8.147	38.801	2.200	8.147	38.801
4	1.653	6.123	44.924	1.653	6.123	44.924
5	1.359	5.035	49.959	1.359	5.035	49.959
6	1.292	4.786	54.745	1.292	4.786	54.745
7	1.216	4.502	59.247	1.216	4.502	59.247
8	1.128	4.176	63.423	1.128	4.176	63.423
9	.981	3.633	67.056			
10	.930	3.443	70.499			
11	.904	3.347	73.846			
12	.837	3.100	76.946			
13	.813	3.011	79.957			
14	.642	2.378	82.336			
15	.595	2.205	84.541			
16	.588	2.178	86.719			
17	.520	1.926	88.645			
18	.488	1.807	90.452			
19	.476	1.763	92.215			
20	.400	1.481	93.696			
21	.391	1.446	95.143			
22	.311	1.152	96.295			
23	.240	.889	97.184			
24	.215	.797	97.981			
25	.196	.725	98.706			
26	.179	.662	99.368			
27	.171	.632	100.000			

Source : Extraction Method; Principal Component Analysis

In Table 1. We can be seen that there are 27 components are included in the analysis factor is motivation from the leader, the leader as a role model in work, stimulate new perspectives, teach and train, aspirations, compensation satisfactory, the suitability of the salary scale with the needs, the organization appreciated the new ideas, the organization supports employee involvement, organizational reward achievement, organization provide opportunities for learning, the organization understand the change effort, coordination, organization informs the work plan, communication, clarity of career development, development opportunities career, guarantee a safe working environment, relationship with colleagues, safety assurance, availability of technology, openness to technology development, application of technology, the ability of employees, the desire to compete, trust for themselves. In the table above shows that only 8 form factor, because there are eight components to factor numbers eigen values remained above 1. The process of determining the components of the factors is done by comparison of the correlations in each row in the matrix component. Matrix component of the rotation (Rotated Component Matrix) shows the distribution of variables more clear and visible on the Component Transformation Matrix. (Table 2.)

Table 2. Component Transformation Matrix

Component	1	2	3	4	5	6	7	8
1	.531	.494	.324	.195	.247	.327	.340	.176
2	.590	.512	.232	.513	.334	.129	.169	.094
3	.243	.582	.509	.067	.435	.378	.044	.070
4	.494	.403	.513	.511	.141	.129	.137	.111
5	.231	.214	.063	.328	.550	.162	.591	.319
6	.110	.132	.381	.343	.034	.524	.346	.559
7	.034	.141	.362	.321	.546	.294	.525	.432
8	.031	.028	.178	.313	.122	.571	.432	.573

Source: Rotation Method: Varimax with Kaiser Normalization

From the table 2. it can be seen eight factors on the diagonal factor that has a value of more than 0.5 indicating a fairly high correlation. The eighth factor is formed leadership (factor 1), remuneration (factor 2), organizational culture (factor 3), communication openness (factor 4), work environment (factor 5), career development (factor 6), technology (factor 7), the personal traits (factor 8). The factors extract and formed into two factors. The factor from the organization named internal factor, the factor from outside organizations named external factors. We can describe the model of the research in figure 2.

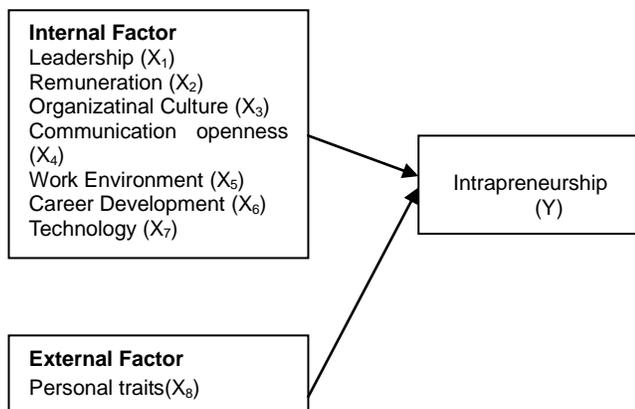


Figure 2. The Conceptual model

After compiled eight factors are correlated, then the data analyzed with regression test which can be seen in Table 3.

Table 3. Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1,487	,579		2,569	,012
Leadership (X ₁)	,414	,086	,345	3,633	,000
Remuneration(X ₂)	,310	,099	,301	3,121	,002
Organizational Culture (X ₃)	,523	,093	,493	5,617	,000
Communication Openness (X ₄)	,447	,110	,379	4,057	,000
Work Environment (X ₅)	,347	,103	,323	3,380	,001
Career Development (X ₆)	,231	,095	,241	2,376	,002
Technology (X ₇)	,335	,105	,229	3,288	,001
Personal traits (X ₈)	,407	,092	,408	4,426	,000

a. Dependent Variable: Intrapreneurship (Y)

The data presented in table 3 show the results of the regression, which was used to learn more about the relationships between the independent variables and the dependent variable. From the analysis shows all factors are significant (p<0.05). All factors are influence the intrapreneurship behavior of contractor employees. The eight factor are leadership (factor 1), remuneration (factor 2), organizational culture (factor 3), communication openness (factor 4), work environment (factor 5), career development (factor 6) and technology (factor 7) and the personal traits (factor 8).

4 CONCLUSION

Based on the above analysis results, we found 8 factors that can develop employee's intrapreneurship behavior on the construction companies. The 8 factors are : leadership, remuneration, organizational culture, communication openness, work environment, career development, personal and technological aspects. The Construction employees will be more creative, innovative and proactive in their works if the leaders could motivate, try to more listen to their ideas, stimulates new company perspectives, inspire, teaches, coaches and trains them regularly.- They also needs compensation and remuneration as a company's feedback to their creativeness, innovations and proactive behavior for the company development. The organizational factors those drive the behavior of employees intrapreneurship is an organization that understands the business of change, supporting employee involvement, reward achievement and delivery of new ideas, and provide opportunities for learning. Smooth communication flow to inform any work plans and coordination is the driving factor intrapreneurship. Employees also expect opportunities and clarity of career development. Work environment that guarantees safety and job security and working closely with colleagues is a factor supporting intrapreneurship behavior. The availability of technology, openness to the development of technology and its application can make employees become more independent and proactive. Another important factor affecting intrapreneurship is the personal aspect of the employee in the form of ability to work, the desire to compete and confidence. The eight factor test results are extract by its nature or the circumstances in two factors. The factors extracted is called internal factors sourced and control of the organization and external factors originating from outside the organization and control. Internal factors are leadership, remuneration, organizational culture, communication openness, career development, technologists, and work environment, the external factor is the personal traits, so it can be described in a model.

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