



Exploring the Entrepreneurship Attitude towards an Organisations

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Abstract- *This study investigates the applicability of the Entrepreneurial Attitude Orientation (EAO) scale among Indian intrapreneurs—a relatively underexplored segment in entrepreneurship research. Unlike entrepreneurs, intrapreneurs innovate from within existing organizations. This paper evaluates how well the EAO scale, originally developed in Western settings, translates to the Indian context. A sample of 100 executives from IT and financial sectors was analysed using cluster analysis and internal reliability tests such as Cronbach's alpha. Findings suggest that while certain sub-scales like innovation and achievement retain reliability, others such as opportunism and self-esteem do not. This study proposes restructured factors to reflect culturally nuanced interpretations of entrepreneurial behaviour in Indian organizations.*

KEY WORD: Entrepreneurship, Financial Sectors, Innovation, Self-esteem, Findings

Introduction- Entrepreneurship has long been hailed as a driver of innovation and economic growth. However, with increasing global competition, organizations are forced to seek innovation not just externally, but from within. This inward-looking approach has led to the rise of intrapreneurship—a concept wherein employees act entrepreneurially within the confines of existing firms.

This idea has been developed by George Bernard Shaw's famous quote—"The reasonable man adapts himself to the world; the unreasonable one persists in trying to adapt the world to himself"—has often been cited to describe the tenacity of entrepreneurial behaviour (Shaw, 1947). Intrapreneurs embody this unreasonable pursuit of change, but within the boundaries of their organizations.

While traditional entrepreneurship research has focused on personality traits (McClelland, 1953), newer frameworks like the Entrepreneurial Attitude Orientation (EAO) scale developed by Robinson et al. (1991) emphasize attitudinal aspects. However, most applications of the EAO scale have been confined to Western contexts. This paper tests its validity among Indian intrapreneurs, offering insights into how entrepreneurial attitudes manifest within diverse cultural and institutional settings.

Literature Review - Intrapreneurs are those who bring about change within organizations. They innovate, take calculated risks, and often challenge existing norms to drive business value. Pinchot and Pellman (1999) introduced the term to highlight how creativity and autonomy, when harnessed internally, can result in organizational transformation.

Traditional research on Entrepreneurs relied on personality or demographic approaches to understand entrepreneurial behaviour. These include factors like birth order, education, parental background, and socio-economic status (McClelland, 1953). However, these approaches were limited, when applied to cross cultural boundaries.

Ajzen's (1982) theory of planned behaviour and Rosenberg and Hovland's (1960) tri-component model suggest that attitude is a strong predictor of behaviour. Robinson et al. (1991), categorizes entrepreneurial attitudes into five sub-scales: achievement, innovation, personal control, self-esteem, and opportunism. The EAO scale is one such instrument that operationalizes this approach.

The study of entrepreneurship has undergone a conceptual shift from viewing entrepreneurial success as a function of stable personality traits to understanding it as a reflection of cognitive and attitudinal



dimensions. One of the key developments in this space has been the introduction of the **Entrepreneurial Attitude Orientation (EAO)** scale by Robinson, Stimpson, Huefner, and Hunt (1991), which provides a multi-dimensional framework to assess entrepreneurial attitudes in structured, quantifiable terms.

Unlike early models such as McClelland's (1953) "Achievement Motivation Theory", which emphasized a singular internal drive, the EAO scale captures a broader spectrum of entrepreneurial tendencies. It operationalizes five attitudinal dimensions: (1) achievement in business, (2) innovation in business, (3) perceived personal control of business outcomes, (4) perceived self-esteem in business, and (5) opportunity-seeking (Robinson et al., 1991). These dimensions are intended to reflect a person's psychological orientation toward entrepreneurial activity, making the EAO scale a valuable tool for empirical studies.

The utility of the EAO scale has been supported in several studies within Western contexts. Robinson et al. (1991) reported acceptable internal reliability coefficients (Cronbach's α ranging from 0.62 to 0.83), indicating consistent measurement across sub-scales. However, the scale's performance across non-Western settings has been less predictable. For instance, Boshoff and Hoole (1996), in a study conducted in South Africa, noted inconsistencies in reliability scores for constructs such as self-esteem and opportunism, calling into question the scale's cross-cultural robustness.

In the Indian context, similar concerns have been raised. Shanthakumar (1992), in a comparative study of male and female entrepreneurs in India and the United States, observed that Indian respondents interpreted key constructs—particularly self-esteem and personal control—differently, likely due to socio-cultural variations in workplace norms and individual autonomy. Likewise, Yuvaraj (1993), in a doctoral study exploring expectancy-valence frameworks among Indian entrepreneurs, argued for the cultural recalibration of attitudinal instruments to

reflect collectivist values and hierarchical organizational structures typical of Indian firms.

Moreover, conceptual overlap within the EAO's sub-scales has also been a point of contention. Studies such as those by Gasse (1985) and Hull, Bosley, and Udell (1980) indicate that constructs like perceived personal control and self-esteem, although theoretically distinct, often show high intercorrelation in empirical data, suggesting redundancy or ambiguous phrasing.

Despite these limitations, the EAO scale remains a seminal instrument for entrepreneurship research, particularly because of its attempt to measure attitudinal predispositions rather than static traits. However, its construct validity and internal consistency must be reassessed in each new cultural and organizational context, especially in countries like India where the relationship between individual agency, workplace behaviour, and institutional structure significantly differs from Western models.

This study builds on that tradition by empirically testing the reliability and factorial structure of the EAO scale among Indian intrapreneurs. Through cluster analysis and internal consistency metrics, it seeks to identify whether the original five dimensions are retained or whether new, culturally coherent groupings emerge.

Methodology - This study employed a quantitative survey design using the EAO scale to collect primary data from 100 male executives. The respondents were drawn from two major sectors—IT and Finance—both having branch office at Lucknow. These sectors were chosen due to their prominence in driving India's knowledge economy and for their organizational maturity.

The sampling process was rigorous. Only firms employing more than 30 employees were considered. Participants ranged in age from 25 to 50 and varied across education levels (graduate, postgraduate, professional) and management levels (first-line supervisor, middle-level, senior management). Years of work experience spanned from 0 to over 20 years.



Data was collected using a structured questionnaire based on a five-point Likert scale. Cluster analysis was conducted using Anthropic (Borgatti, 1996), and reliability was assessed via Cronbach's alpha for each sub-scale. This dual approach ensured both statistical rigor and interpretative clarity.

Results -

Table 1:

Reliability Coefficient of EAO Sub-Scales

Sub Scale	Cronbach α
Achievement	0.63
Innovation	0.63
Personal Control	0.52
Self Esteem	0.37
Opportunism	0.29

The sub-scales for self-esteem and opportunism performed poorly, raising concerns about their construct validity in the Indian context. A deeper dive through cluster analysis revealed that the original five sub-scales could be reorganized into eight clusters. Notably, some clusters included items from multiple dimensions—e.g., items from the innovation and self-esteem scales grouping together.

Two clusters with Cronbach values below 0.60 were deemed unreliable and excluded from further analysis. The remaining six were renamed based on thematic relevance and face validity. This restructuring marks a departure from the original design of the EAO scale.

Discussion- The low reliability scores for opportunism and self-esteem indicate potential cultural misfits. In Indian corporate settings, opportunism—often linked to assertiveness or self-promotion—may be viewed negatively. Similarly, the construct of self-esteem might be too individualistic in a collectivist culture where identity is often group-based.

These findings reflect earlier studies, such as those by Shanthakumar (1992) and Yuvarraj (1993), which highlighted how entrepreneurial attitudes diverge across countries. Moreover, research by Boshoff and Hoole (1996) stresses the risks of applying

foreign-developed scales without cultural adaptation.

This study also validates the use of cluster analysis in psychometric restructuring. By focusing on actual respondent behaviour rather than theoretical assumptions, it offers a more grounded understanding of attitudinal constructs among Indian intrapreneurs.

Conclusion - The Entrepreneurial Attitude Orientation (EAO) scale, while robust in its original context, requires adaptation for application in India. Constructs like achievement and innovation remain valid, but others like opportunism and self-esteem need recalibration.

The study advocates for localized validation of global psychometric tools, especially when used in cross-cultural contexts. Future work should expand to include other sectors beyond IT and finance and examine differences across gender and region. With India's growing emphasis on innovation and entrepreneurship, developing culturally relevant assessment tools is not just necessary—it's urgent.

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