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## The Role of Middle Level Managers and Corporate Entrepreneurship

M. Banumathi\* and Dr. C. Samudhararajakumar\*\*

\*Assistant Professor, Business Administration Wing, Directorate of Distance Education, Annamalai University.

\*\*Professor, Business Administration Wing, Directorate of Distance Education, Annamalai University.

### ABSTRACT:

*The aim of this research is to analyze the role of middle level managers in the decision to co-operate as a method for developing for entrepreneurial activity. Data were collected from samples that considered of 400 middle level managers respectively. For middle managers conducted by a TVS Auto Ancillary Manufacturing Company in Chennai. Middle-level managers' are linked to successful corporate entrepreneurship. Herein, we integrate knowledge about corporate entrepreneurship and middle-level managers' to develop and explore of middle level managers' the entrepreneurial actions, they can represent a formidable bridge between top managers and employees, helping the change process to be successfully implemented. The results indicated that the dimensions of management support, work discretion, reward/reinforcement, time availability and organizational boundaries there are positive relationship between corporate entrepreneurship.*

**Key Words:** Corporate Entrepreneurship, middle-level-managers, manufacturing sector.

### INTRODUCTION

Middle managers play a critical role in the implementation of organizational strategies. Middle Manager is mainly focus on two aspects: 'position' in the hierarchy and 'function' rendered by them. Dutton (1993) and Wooldridge et. al, (2008) propose that middle management, ranges from the level below top management to the first level of supervision. Examples of middle managers include general line managers (divisional heads), functional line managers (marketing head, deputy heads) and team or project based executives or project leaders.

From the perspective of 'function', middle management is defined as the coordination of a firm's daily routine activities with the activities of vertically related groups (Floyd, 1992). Middle Managers are responsible for a sub-functional work flow of a department / division. Few academicians state that aspects like number of staff working under a person, years of working experience, and total emoluments need to be considered to define middle management.

The role of middle level managers as quoted by Kuratko et.al (2002; 2005; 2006; 2007; 2008), is to communicate effectively between top-level and operating level managers. To accomplish this goal, middle level managers need to play strategic roles. As suggested by Floyd and Wooldridge (1992), they have to synthesize information to be exchanged for championing innovative ideas, facilitate adaptability among subordinates and implementing strategy by integrating subordinates activities

The Manufacturing Industry (MI) is defined as the mechanical or chemical transformation of organic and inorganic substances into new products, whether the work is done by machine or by hand, factory or home, or that the products are sold wholesale or retail. Includes the assembly of component parts of manufactured products, except in cases where such activity is typical of construction and installation, repair and maintenance when such activity takes place as a service related to manufacturing.

In most of the studying they describe the Corporate Entrepreneurship is the Manufacturing sector. In the same way we are also declining that. MI cooperates to the growth of other sectors of the economy and that demands a certain percentage called technical coefficients of production of products originating in other sectors. To investigate the role played by corporate entrepreneurs in the strategic renewal of mature manufacturing companies (Oswald Jones, 2005). Manufacturing firms may benefit by improving their technological entrepreneurial activities such as investments for creating proprietary technologies, pioneering and experimentation in technological developments, technological innovation and designing new process and methods of production (Bostjan Antoncic 2008).

The relationship between the corporate entrepreneurship from a middle managers' perspective in the technology manufacturing sector. Researchers assessed key internal organizational factors that influence middle managers in the corporate entrepreneurship, such as management support, work discretion, rewards, time availability, and organizational boundaries. In addition, Corporate Entrepreneurship is named as encompassing three related components: product innovation, proactiveness, and risk taking. The process of innovation, especially in the manufacturing organizations, can have significant impact on the productivity of the firms. The literature by identifying the key perspectives for managers of manufacturing firms to further evaluate the effectiveness of corporate entrepreneurship.

## REVIEW OF LITERATURE

Researchers (Schuler, 1986; Woolridge and Floyd, 1990) examined the contributions of middle managers to a company's strategy, a variable that is intimately connected to corporate entrepreneurship (Guth and Ginsberg, 1990; Zahra, 1991). Corporate Entrepreneurship is a complex and challenging strategy made by top management. To make Corporate Entrepreneurship work effectively and produce expected results, staff need to be convinced about the need for Corporate Entrepreneurship and explained about the new process of innovation. Middle Managers are the right people who can understand the top management's strategy (Corporate Entrepreneurship) and communicate it to the front line supervisors. Middle Managers have the easy access to front line supervisor and can persuade them to actively involve in the Corporate Entrepreneurship process.

Quinn (1985) recognized the valuable contributions and important roles of middle managers in the innovation process in an organization. Floyd and Woolridge (1992) argue that middle managers play pivotal roles in championing strategic alternatives and making them accessible to senior executives.

Incorporating entrepreneurial activities within an organization is considered as strategic change process. Top Management of firm make valiant efforts to change the behavior of employees from performing regular and routine work schedule to think creatively and suggest innovative new product ideas or modification in the process. This strategic shift requires ‘Change Agents’ and middle managers perfectly fit into this job. Hence, the successful implementation of Corporate Entrepreneurship initiative depends largely on the on middle managers’ ability to execute it.

Middle Managers are believed to link different skills, resources, and knowledge in pursuit of those strategic goals defined by senior managers. The literature also highlights several factors that can limit middle managers’ willingness or ability to facilitate corporate entrepreneurship. Some managers have demanding work schedules that leave little time for innovation and experimentation. These are formidable challenges that can stifle middle managers’ efforts aimed at encouraging and promoting corporate entrepreneurship (Burglemann, 1983; Hornsby, 2002; Zahra, 2002; Dess and Lumpkin, 2003; Kuratko, 2005).

## RESEARCH METHODOLOGY

The purpose of this research is in the application of studied factors and that of data collection - which survey research. The statistical area of this research is to do with the managers and management of Manufacturing Sector in 400 people were distributed among the selected respondents in Auto Ancillary Manufacturing Company in Chennai. The questionnaire was developed based on existing measurement instrument scales and literature. Corporate Entrepreneurship Assessment Instrument Scale (CEAI) Hornsby, Kuratko and Zahra (2002) developed by 48 items. The first dimensions are related to the 19 statement of Management Support, the second dimensions are related to the 10 statement of Work Discretion, the third dimensions are related to the 6 statement of Rewards Reinforcement, the fourth dimensions are related to the 6 statement of Time Availability, and the last dimensions are related to the 7 statement of Organizational Boundaries. The questionnaire was used five point Likert-type scales with representing Strongly Agree/Agree/Neutral/Disagree/ Strongly Disagree.

## RESULTS AND DISCUSSIONS

Table 1.1 presents the correlation results. This table shows that management support, work discretion, reward/reinforcement, time availability and organizational boundaries there are positive relationship between corporate entrepreneurship.

*Table 1.1. Correlations factor of Corporate Entrepreneurship*

Factor of Corporate Entrepreneurship	Management Support	Work Discretion	Reward Reinforcement	Time Availability	Organizational Boundaries
Management Support	1.000	0.310**	0.338**	0.121*	0.257**
Work Discretion	-	1.000		0.207**	0.263**

			0.171**.		
Reward Reinforcement	-	-	1.000	0.367**	0.557**.
Time Availability	-	-	-	1.000	0.395**
Organizational Boundaries	-	-	-	-.	1.000

Note : 1.\*\* Correlation is significant at 1% level

2. \* Correlation is significant at 5% level

The Correlation Coefficient between Management Support and Work Discretion is 0.310 which indicate 31 percentage positive relationships between Management Support and Work Discretion and is significant at 1% level. Correlation Coefficient between Corporate Entrepreneurship Factors is 0.257 which indicate 25.07 percentage positive relationships between Corporate Entrepreneurship factors and is significant at 1% level. Correlation Coefficient between Reward Reinforcement and Organizational Boundaries is 0.338 which indicate 33.8 percentage positive relationships between Reward Reinforcement and Organizational Boundaries is significant at 1% level. Correlation Coefficient between Corporate Entrepreneurship factor is 0.257 which indicate 25.7 percentage positive relationship between Corporate Entrepreneurship factors and is significant at 1% level.

The Correlation Coefficient between Time Availability and Organizational Boundaries is 0.207 which indicate 20.7 percentage positive relationships between Time Availability and Organizational Boundaries and is significant at 1% level. Correlation Coefficient between Organizational Boundaries is 0.263 which indicate 26.3 percentage positive relationships between Organizational Boundaries and is significant at 1% level.

The Correlation Coefficient between Management Support and Time Availability is 0.121 which indicate 12.1 percentage positive relationships between Management Support and Time Availability and is significant at 5% level. Correlation Coefficient between Corporate Entrepreneurship factor is 0.257 which indicate 25.7 percentage positive relationships between Corporate Entrepreneurship factor and is significant at 5% level.

## CONCLUSION

Finally, initiating entrepreneurial attitude among employees is fundamentally a change process. The role of middle managers as change agents would grow as organizations continue to become global and more complex (Rouleau and Balogun, 2011). With the view that middle managers are an integral part of a control system within organizations, Floyd and Wooldridge (1994) suggested that middle managers are the formidable bridge between top managers and front-line supervisors and help the change process to be successfully implemented. This aspect supports the selection of middle managers as respondents in this study. The contribution of middle managers to strategy implementation could provide insights to organizational leaders on ways to engage middle managers in strategic practices. Due to their structural positions, middle managers play a key role in managing resources, providing information to decision makers, giving emotional support to their subordinates, and communicating the strategic intent of senior

management throughout the organization. It is our intention organizational leaders might use these findings to develop mechanisms to engage middle managers in the strategy implementation efforts and ensure their commitments.

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