

UNIVERSITI TEKNOLOGI MARA

**THE PROACTIVENESS, RISK
TAKING AND INNOVATIVENESS
CHARACTERISTIC AFFECTING
ORGANIZATIONAL
PERFORMANCE: A STUDY OF
PERTUBUHAN PELADANG
KAWASAN MALAYSIA**

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ABSTRACT

Pertubuhan Peladang Kawasan (PPK) is the organization under Lembaga pertubuhan Peladang Malaysia (LPP) that carries out economic and social activities by applying the cooperative principles. The establishment of PPK aimed to improve the social and economic standard, increase farmer's knowledge and skills, increase revenue and income and to improve the way of life of its members and to create a progressive, independent, prosperous and integrated farming community. Over thirty years of their establishment, PPK is unable to achieve their goal to be able to stand independently from government. The financial performance of PPK also not as decent as other companies nationwide. The purpose of this study is to understand the effect of corporate entrepreneurship characteristic towards firm's performance of Pertubuhan Peladang Kawasan (PPK) in Malaysia. This study was driven by three objectives; to determine the effect of the proactiveness of general managers of PPK towards company's performance, to determine the effect of risk taking of general managers of PPK towards company's performance and to determine the effect of the innovativeness of general managers of PPK towards company's performance. The population of the research consist of 244 branches of PPK across Malaysia. The study used primary data where gathered using questionnaires. Statistical Package for Social Sciences (SPSS) was used in the analysis of data. The data was analysed by use of descriptive and inferential statistics. Results from this study indicated that pro-activeness, risk taking and innovativeness were the key determinant of firm performance for PPK in Malaysia. The result revealed that, lack of pro-activeness, risk taking and innovativeness behaviour among general manager in PPK associated to the poor financial performance of PPK which represented by decrease in net profit of the firm. The study recommended that the PPK shall encourage corporate entrepreneurship elements i.e. proactiveness, risk taking and innovativeness in their firm since it's can create competitive advantage to PPK and increase profitability of the firm. The study is a justification of the fact that an organization with corporate entrepreneurship characteristic among the managers with deep understanding of the business are able to improve the firm's performance.

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TABLE OF CONTENTS

AUTHOR'S DECLARATION	1
ABSTRACT	11
ACKNOWLEDGEMENT	111
LIST OF TABLES	1X
LIST OF FIGURES	X
LIST OF SOURCES	X1
LIST OF ABBREVIATIONS	X11
CHAPTER ONE: INTRODUCTION	1
1.1. Research Background	1
1.2. Background of Pertubuhan Peladang Malaysia	3
1.3. Problem Statements	6
1.4. Research Objectives	8
1.5. Research Question	8
1.6. SWOT Analysis	9
1.7. The construct of the study	11
1.8. Scope of the study	11
1.9. Contribution of the study	12
1.10. Limitation of the study	12

1.11.	Chapter Summary	13
CHAPTER TWO: LITERATURE REVIEW		14
2.1.	Preamble	14
2.2.	Literature Review	14
2.3.	Model of Corporate Entrepreneurship and Firm Performance	15
2.3.1.	Mokaya's Corporate Entrepreneurship Model	16
2.3.2.	Lumpkin and Dess's Corporate Entrepreneurship Model	17
2.3.3.	Miller and Friesen's Corporate Entrepreneurship Model	18
2.3.4.	Eze's proposed Corporate Entrepreneurship Model	18
2.3.5.	Linyiru's proposed Corporate Entrepreneurship Model	19
2.3.6.	Ambad and Wahab's proposed Corporate Entrepreneurship Model	20
2.3.7.	Bakar and Mahmood's proposed Corporate Entrepreneurship Model	21
2.4.	Significant of the CE Model towards the Study	22
2.5.	Corporate Entrepreneurship and Firm Performance	23
2.5.1.	Proactiveness and Firm Performance	27
2.5.2.	Risk Taking and Firm Performance	28
2.5.3.	Innovativeness and Firm Performance	29
2.6.	Research Framework	30
2.7.	Research Hypothesis	31
2.8.	Chapter Summary	31