

The Impact of Intrapreneurship on Innovation in Banks: An Exploratory Study

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Abstract: This study aims at exploring the intrapreneurship in banks on the innovation activity in its various types. As a dependent variable, five types of bank innovation outcomes were considered: product innovation, process innovation, service innovation, modern technology adoption, and organizational innovation. Meanwhile the independent variable was the intrapreneurship in its dimensions different: idea generation, Proactiveness, risk taking, and empowerment. The researcher developed a model based on other studies, then hypotheses were formulated. Four branches of Rafidain Bank, with its 115 employees, were chosen to be the population of this study, then 50 employees were taken as a study sample. The sample members whom where reached through a questionnaire, all of them answered it completely, so all them used in the analysis. The results showed that the employees indicated that intrapreneurship activities are very important factors affecting outcomes (innovation in all its types). The improvement achieved on the innovation process results should encourage all the bank branches continuing the practice of those activities. Significant positive relationships were found and statistically proven between both studied variables. The paper recommends that the studied branches to consider in their future plans the training, practicing, and offering more support for consolidating and taking in account intrapreneurship elements at all organizational levels in the bank.

Keywords: Intrapreneurship, Entrepreneurship, Innovation, Rafidain Bank, Wasit Governorate.

1. INTRODUCTION

In an era identified by accelerating technological progress and intense competition in the markets, the banking sector is facing increasing pressure to innovate continuously in order to remain competitive and meet the changing and evolving needs of customers (Damanpour & Schneider, 2006, p. 216). Innovation, in this context, could not refer only to the new products and services development, but also to internal processes, customer engagement strategies improvements, and organizational developments (OECD, 2005, p. 49). Though, many traditional banks, with their rigid, old structures, are struggling with conservative cultures, and regulatory constraints that often stifle, impede, and not facilitate innovative initiatives.

In order to deal with these challenges, many banks and other financial institutions are turning inward and fostering a new culture of intrapreneurship. Intrapreneurship is defined as entrepreneurial behaviors` within the existing organizations that involve employees acting like entrepreneurs by taking initiative, developing untraditional new ideas, and leading innovation from within (Antoncic & Hisrich, 2003, p. 12). This concept (intrapreneurship) is considered as a strategic approach to trigger creative potential and give organizations the power to behave proactively to external events and changes which come from the external environment.

Gopalakrishnan and Damanpour stated that the importance of intrapreneurship in the banks and other financial institutions is particularly significant. Banks normally work in an environment which is characterized as highly regulated, where innovation must be balanced with compliance and risk management (Gopalakrishnan & Damanpour, 1997, p. 24).

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Despite these barriers and trade-offs, practices and activities such as internal fintech labs, innovation hubs, and employee-led idea platforms are examples that show a gradual incremental trend to embrace and apply widely intrapreneurial techniques and practices. Recently, the researcher thinks that the relationship between intrapreneurship elements and innovation -in its different types- in banks remains underexplored, with not enough empirical research testing how internal entrepreneurial environment and behaviours impact innovation process outcomes.

Our study objective is bridging that gap by testing the influence of intrapreneurship on innovation within banking system, namely Rafidain Bank. It looks to understand how intrapreneurial elements emerge in such a traditional structured industry, and how they successfully contribute to achieve both incremental and radical innovations. The study depends on qualitative insights and available literature to explore, find out, and discuss the results.

The comprehension of this relationship is vital in enhancing innovation performance in banking system. As Kuratko explained, building and enhancing an intrapreneurial culture, banks will be empowered to drive internal transformation, encourage continuous improvement, and be more competitive in a competitive financial ecosystem (Kuratko *et al.*, 2005, p. 704). So, the study, contributes to the literature on organizational innovation by focusing on the significant function of intrapreneurship in the banking and financial institutions environment.

1.1 Problem Statement

The business environment is increasingly active, animated and technology-driven financial landscape, so the bank and financial institutions confront increasing pressure to innovate in order to stay competitive, improve customer experiences, and adapt to many regulatory changes. Traditional hierarchical structures and risk-averse cultures often block the efforts of banks to react quickly to emerging events, both opportunities or challenges. Intrapreneurship, the practice of encouraging and implementing entrepreneurial behaviors within an organization, has been identified as one of the most potential factors and catalysts for leading internal innovation. Nevertheless, although there is a growing interest in intrapreneurship, there is limited empirical proofs and scholarly evidences that explain how effectively intrapreneurial initiatives participate into innovation results in the banking system. This gap represents a big challenge for banks managers and policymakers looking for promoting sustainable innovation from within their organizations. Thus, it is essential to examine the extent to which intrapreneurship (idea generation, risk taking, proactiveness, empowerment) impacts innovation (process, product, organizational, service, and technology adoption) in Rafidain Bank.

1.2 Study Significance

The paper's importance comes from the fact that intrapreneurship is the main enabler of innovation process in the banking sector, given the new development in communication new technologies and the advances gained in the social media tools applied to the banking system when offering services to customers. Also, the significance of the study lies in the banking system where the study was carried out, it is one of the fundamental economic sectors, it is in a continuous changing state after the big political change took place after 2003. It is vital to Iraqi economy the local economy in Wasit develop and sustain this banking system and make it profitable through applying new techniques, and motivating employees to be more innovative through intrapreneurship.

1.3 Study Objectives

1. To examine the role of intrapreneurial practices (idea generation, proactiveness, risk taking, and empowerment) in fostering innovation (product, process, organizational, service innovation, and technology adoption) within banking institutions by this we explore how banks activate and implement intrapreneurship to motivate and generate creative solutions, improve services, and increase operational efficiency and effectiveness.
2. To test and explore the types of innovation most generally related to intrapreneurship in banks in the Iraqi environment. This objective seeks to clarify whether intrapreneurship primarily lead to innovation achievements in its different types.
3. To provide insights and recommendations for banking leaders on taking in account the intrapreneurship in their future plans to power sustainable innovation in Rafidai Bank. This includes offering practical guidance based on exploratory findings to help the bank sample of this study and other banks operating in Wasit Governorate to build a positive environment conducting to technological and organizational innovation.

1.4 Study Model

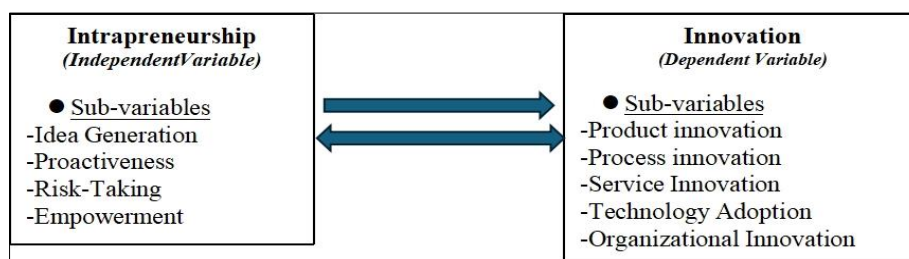


Figure 1.1: Study model (elaborated by author)

1.5 Study Hypothesis

Null H1: The absence of a significant effect at a significant level (0.05) for the dimensions of intrapreneurship (idea generation - proactiveness - risk taking - empowerment) on product innovation.

Null H2: the absence of a significant effect at a significant level (0.05) for the dimensions of intrapreneurship (idea generation - proactiveness - risk taking - empowerment) on the innovation of the process.

Null H3: the absence of a significant effect at a significant level (0.05) for the dimensions of intrapreneurship (idea generation - proactiveness - risk taking - empowerment) on the innovation of services.

Null H4: the absence of a significant effect at a significant level (0.05) for the dimensions of intrapreneurship (idea generation - proactiveness - risk taking - empowerment) on the adoption of modern technology.

Null H5: the absence of a significant effect at a significant level (0.05) for the dimensions of intrapreneurship (idea generation - proactiveness - risk taking - empowerment) on organizational innovation.

1.6 Study Instrument

A questionnaire was developed as an instrument to gather and analyze data from sample members. It consists of 36 statements, 16 statements to measure the sub-variables of the independent variable (Intrapreneurship), and the other 20 statements to measure the dependent variable (Innovation). The sub-variables for both with the correspondent 4 statements for each one are listed below.

1. Independent variable: Intrapreneurship

No.	Sub-variable	Statements
1	Idea generation	1.1 - 1.4
2	Proactiveness	1.5 – 1.8
3	Risk - taking	1.9 – 1.12
4	Empowerment	1.13 – 1.16

2. Dependent variable: Innovation

No.	Sub-variable	Statements
1	Product innovation	2.17- 2.20
2	Process innovation	2.21 – 2.24
3	Service innovation	2.25 – 2.28
4	Technology adoption	2.29 – 2.32
5	Organizational innovation	2.33 – 2.36

1.7 Sample

Four branches of Rafidain Bank, with its 115 employees, were chosen to be the population of this study, then 50 employees were taken as a study sample. Rafidain Bank is the main and oldest commercial public bank, it has branches inside and outside Iraq.our study covers the four branches at Wasit Governorate center. The total number of those branches is 115 employees. A random sample of 50 employees was chosen as a study sample.

1.8 Study Limits

1. Human limit: the employees at the four branches of the bank from different organizational levels who holds university degree.
2. Time limit: the study was conducted during the period October 2024 - January 2025.
3. Place limit: all the research was done at Wasit Governorate /Iraq

1.9 Terminology

For purposes of the study we depend the following terminology defined as follow.

***Entrepreneurship:**

Is the process of identifying, developing, and bringing a new business idea to life, typically involving taking financial and personal risks to create and grow a new venture. Its main elements are: opportunity recognition, risk-taking, resource organization, and value creation (economic, social, or both).

***Intrapreneurship:**

It is practicing the entrepreneurship for processes that are gone on inside a current firm, regardless of its size. It creates new business ventures, also supports other innovation types in an organization such as the improvement of new products, services, technologies, administrative techniques, strategies and competitive advantages (Antoncic and Hisrich, 2003, P. 9)

***Innovation:**

It is the process of creating new or improved products, services, processes, or business models that deliver value to customers or society, its main characteristics are: novelty (new or significantly improved), application (must be implemented, not just an idea), and value creation.

2. Theoretical Concept and Elements of Intrapreneurship

Intrapreneurship, a terminology popularized and first introduced for first time by Gifford Pinchot in the 1980s, means the application of entrepreneurial principles within the existing organizations (public and business) to lead all innovation activities and growth (Pinchot, 1985, p. 5). It is different from traditional entrepreneurship, that include starting new privately owned businesses externally, intrapreneurship motivate and push employees to behave like entrepreneurs inside an organization. Companies pay this concept considerable attention in last years as they look for exploiting or utilizing to the maximum the creative power of their workforce to continue competitive in the markets ad to keep their shares at least.

The theoretical foundations of intrapreneurship based in many overlapping disciplines, that contain innovation theory, organizational behavior, and strategic management. Schumpeter's stated about theory of innovation, which highlights the role of the entrepreneur in achieving "new combinations" of resources, offers an important conceptual link (Schumpeter, 1934, p. 66). Intrapreneurs job similarly develop new products, improve processes or create business model innovations butinside an already founded organization rather than through new owned independent organizations created for that purpose.

Another explanation is offered by Zahra who defines it as "a process of creating a new business within an established organization, in order to increase organizational profitability, strengthen company's competitive and achieve strategic renewal "(Ferreira, 2002: 2). Kuratko *et al.*, also define intrapreneurship as " process in which new jobs are created to improve organizational profitability and increase the competitiveness of the company, innovations in an existing organization are carried out through individuals, organizational renewal and entrepreneurial spirit within the organization are encouraged."

A comprehensive framework for intrapreneurship developped by Antoncic and Hisrich, which remains one of the most widely studied, consulted, and tested models in intrapreneurship literature in the recent investigations.

This model includes "dimensions such as new venture creation within the organization, product and service innovation, process innovation, and self-renewal" (Antoncic and Hisrich, 2001, P. 498). These conceptual components assure the diversified nature of intrapreneurship, going beyond just internal ventures or divisions to include wide organizational change and adaptability.

Kuratko indicated that autonomy, in most times, is correlated with getting more innovation results, the reason for that is it empowers individuals to take initiative and overcome the traditional organizational bureaucratic constraints (Kuratko *et al.*, 2005, p. 703). In addition, one more crucial element is 'proactiveness,' which is considered the future forward-looking and opportunity-seeking attributes characteristic that distinguish intrapreneurs. Proactiveness allows employees to identify trends and initiate change before pressures taken place in the external environment enforce it.

The other defining component is risk-taking. As Covin and Slevin suggested, intrapreneurs, like entrepreneurs, are interested in using resources to uncertain initiatives or ventures with supposed potential high outcomes (Covin & Slevin, 1991, p. 11). However, in companies workplaces, it is usual to share the risks or mitigating them by internal support systems. Innovation, is the ost and ultimate objective of intrapreneurship, it is both a driver and a result of these behaviors. It appears tin form of the development of new products, improved services, and more efficient and effective business processes.

Organizational support plays a vital role in enabling intrapreneurship. As Hornsby assured, some factors like leadership support, easy access to resources, the existence of an experimentation culture, and suitable reward systems are frequently cited as enablers of intrapreneurial activity (Hornsby *et al.*, 2002, p. 255). Without such organizational climate and inspiring environment, even the most satisfied and motivated employees may be not able or they fail to transform ideas into actionable innovations.

In banks and financial institutions workplaces, intrapreneurship is seen as a compelling tactic to avoid the barriers enforced by traditional, risk-averse old organizational structures. As digitization shows huge increase and the higher number of fintech competitors, banks must get use and rise the innovative potential of their workforce. The goal of encouraging intrapreneurial behaviors helps banking systems and financial institutions to respond rapidly to market changes, improve customer services, and improve internal efficiency and effectiveness.

The above review will be a basis for exploring how intrapreneurship works in banks and what structural or cultural improvements are urgent to support it. By identifying and analyzing the core elements of intrapreneurship, this study try to offer insights into harnessing a more innovative environment in Rafidain Bank and other banks working in both private and public sector.

2.2 Innovation Concept and Types

In the literature related to innovation, it is considered as a multifaceted terminology that plays a vital role in fostering and leading economic development growth, organizational change, competitiveness, and transformation in many social aspects. The recent evolution in theoretical and practical understanding of innovation has a rapid pace, incorporating many view points from different fields like engineering, economics, sociology, management studies, R&D management, and technology management. Following we will review the conceptual and definitions of innovation and explore its main types.

One of the first researchers who emphasize and explain the importance of the transformative capacity of innovation was Joseph Schumpeter. He gave a clear definition, that is still considered as the oldest reference and most used and cited in research on this subject - innovation - saying that it is the implementation of new combinations, which include the introduction of a new good or service, a new method of production, a new market, a new source of supply, or the reorganization of an industry (Schumpeter, 1934, P. 66). Schumpeter added a new terminology (creative destruction), when he detailed that innovation is the cornerstone of economic progress, as it holds up equilibrium and starts new cycles of creative destruction.

After the increase of literature published on innovation, based on this opinions, contemporary authors and researchers distinguish among various types of innovation, categorizing them as process, product, organizational, and marketing innovations. The Oslo Manual, published by OECD, which represent a key guideline for collecting and interpreting innovation data, defines these four principal types. First, product innovation refers to the introduction of a good or service that is new or improved in its features or its future uses (OECD/Eurostat, 2005, P. 48). Second, process innovation include the introduction of a new or significantly improved production or a new way of delivery. Third, organizational innovation implicates the introduction or the application of a new organizational procedures in the firm's business environment, practices, workplace reorganization, or external relations. Fourth and finally, marketing innovation contains the application of new marketing styles, entailing important changes in product design or packaging, product positioning, product promotion, or pricing.

Incremental versus radical innovation is another conceptual classification. Meanwhile in incremental innovation relied on existing and available knowledge and processes in the organization, driving to little changes and improvements over time, in contrast, the radical innovation encompasses breakthroughs that change existing products, services, or markets significantly (Tidd and Bessant, 2013, P. 92). Two factors support the distinguishing between those types are the degree of novelty or newness and the impacts taken place on the actual systems.

Another new or emerging group is social innovation, which is an emerging layer that focus on the introduction and application of new ideas that will satisfy social needs and build new social relationships or new forms of collaborations. It emphasizes not only on the product or process but also on the enforcement of society's ability to act and react (Mulgan, 2006, P.26). This type of innovation often normal boundaries of the sector and include collaboration among public, private, and civil society actors.

Clayton Christensen introduced and publicized a new terminology, disruptive innovation, a term that describes innovations that find new markets by searching for new classes of customers. These innovation often starts in low-end or niche markets and incrementally replace the actual and established market leaders (Christensen, 1997, P. 43).

A key element in the development of the literature on innovation theoretical development was the open innovation which assures that firms can and should use external ideas coming from outside parties as well as internal ideas to advance their products and technology. This means a real shift from the known traditional closed innovation model to a more open collaborative new approach (Chesbrough, 2003, P. 29).

As a conclusion remark, innovation involves a broad systems of actions and effects. Its theoretical basess are rooted in economic and organizational theory, and its different aspects show the breadth and significance of its application. A deep comprehension of these conceptual classifications is essential for explaining and applying innovation in real life, particularly in an exploratory study that seeks to find the intrapreneurship phenomena impact on innovation.

3. RESULTS AND DISCUSSION

The questionnaire form (Appendix 1) was developed and the Likert five-point scale was used to find out the extent of the impact of intrapreneurship on innovation, as independent variable was divided into four sub-variables, while the second variable - the dependent- was divided into five sub-variables, so the necessary null hypotheses were developed for the study. The first null hypothesis: there is no significant effect for the of intrapreneurship (idea generation - initiative - risk tolerance - empowerment) on product innovation at a significant level (0.05).

The second null hypothesis: there is no significant effect for the dimensions of intrapreneurship (idea generation - initiative - risk tolerance - empowerment) on the e process innovation at a significant level (0.05).

The third null hypothesis: there is no significant effect for the dimensions of intrapreneurship (idea generation - initiative - risk tolerance - empowerment) on the innovation of services at a significant level (0.05).

The fourth hypothesis: there is no significant effect for the dimensions of intrapreneurship (idea generation - initiative - risk tolerance - empowerment) on the adoption of modern technology at a significant level (0.05).

The fifth null hypothesis: there is no significant effect for the dimensions of intrapreneurship (idea generation - initiative - risk tolerance - empowerment) on organizational innovation at a significant level (0.05).

The First Null Hypothesis:

To explore the impact of intrapreneurship' dimensions on product innovation, the mentioned null hypothesis must be tested for it, as it contains four variables, represented by (x_1, x_2, x_3, x_4), which are independent variables, as for the dependent variable represented (product innovation) and to study the hypothesis, the appropriate model for the data must be developed, which represents the problem of the study accurately represented, through Table No. (3-1) and after measuring the impact and choosing the best model for the data, it was found that the value of the coefficient of determination ($R^2 = 0.891$), which means that the independent variables explain (89%) of the effect in the dependent variable (y_1), so that that the rest is considered as random errors or attributed to unknown errors, its value reached (11%). As for measuring the correlation cooefficient we found that relationship between the variables, is of ($R = 0.943$), this indicates that the relationship very strong, as for the value of the test ($F = 21, 450$), which studies the appropriateness of the data regression line and its null hypothesis for the model and the hypothesis of nothingness of the regression model, as the level of significant (0.000), which is less than (0.05), which indicates that there are no significant differences and that the model represents the studied phenomenon accurate and that the regression line fits the data given, i.e. rejecting the null hypothesis and accepting the alternative hypothesis, meaning that there is an impact of the dimensions of intrapreneurship on product innovation, as for the coefficient (β), which represents the impact of each of the independent variables on the dependent variable with a significant level of less than (0.05) after passing the test (t). That is, the relationship is direct and has a significant impact.

Table 3-1: shows the coefficient of determining the best model and the amount of impact of the independent variables

Model Summary						
Model	R	R Square ^b	Adjusted R Square	F	Sig.	
1	.943 ^a	.891	.890	21.450	.000	
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	x ₁	.159	.117	.171	1.363	.006
	x ₂	.071	.091	.072	.783	.036
	x ₃	.304	.280	.327	1.084	.022
	x ₄	.086	.116	.091	.742	.040
a. Dependent Variable: y ₁						
b. Linear Regression through the Origin						

The Second Null Hypothesis:

To explain the impact of the of intrapreneurship's dimensions on the process innovation, in this hypothesis contains four variables, represented by (x_1, x_2, x_3, x_4), which are independent variables, meanwhile the dependent variable is process innovation. Table (3-2), after measuring the impact we found that the value of coefficient of determination ($R^2 = 0.818$), which means that the independent variables explain (81%) of the variation in the dependent variable (y_2), also it means that the rest of the variation is considered as random error in the choice of the specified answer or it is attributed to unknown other variables, its value approximates to (9%). Measuring the relationship between the variables (correlation coefficient), the value found is ($R = 0.904$) and this indicates that the relationship is strong, as for the value of the test ($F = 22, 902$) which examines the appropriateness of the data regression line and its null hypothesis for the regression model, as the level of significance (0.000), which is less than (0.05), so this indicates that there are no significant differences and that the model represents the studied phenomenon accurately, we conclude that the regression line fits the given data, i.e. the rejection of the null hypothesis and accepting the alternative hypothesis, which means that there is the dimensions of intrapreneurship have impact on the process innovation, as for the coefficient (β), which represents the impact of each of the independent variables on the dependent variable at a significant level Less than (0.05) after passing the (t) test. Thus, the relationship is direct and the impact is significant.

Table 3-2: shows the coefficient of determination, fitting the model, and the amount of impact of the independent variables

Model Summary						
Model	R		R Square ^b	Adjusted R Square	F	Sig.
1	.904 ^a		.818	.782	22.902	.000
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	x ₁	.243	.155	.262	1.564	.024
	x ₂	.298	.173	.326	1.719	.002
	x ₃	.239	.147	.254	1.633	.009
	x ₄	.140	.167	.146	.837	.007
a. Dependent Variable: y ₂						
b. Linear Regression through the Origin						

The Third Null Hypothesis:

Through Table (3-3) measures the impact of the of intrapreneurship's dimensions on the services' innovation (y_3) it was found that the value of the determination coefficient ($R^2=0.864$), which means that the independent variables explain (86%) of the variance in the dependent variable (y_3), so that we understand that about 86% of the service innovation is because of intrapreneurship with its four dimensions and rest is attributed to other variables or random error , its value is about (14%). Also, the same table shows the relationship between variables (correlation coefficient), its value is ($R = 0.929$), this denotes that the relationship is strong, as for the value of the test ($F = 32.345$), which examines the appropriateness of the data regression line and its null hypothesis for the regression model, as the level of significance reached (0.000), which is less than (0.05), so we conclude that there are no significant differences and that the model represents the studied phenomenon accurately and that the regression line fits the data given, so this means the rejection of the null hypothesis and accepting the alternative hypothesis, this means the existing of a clear impact of the intrapreneurship's dimensions on service innovation.

Table 3-3: shows the coefficient of determiningation, correlation, and the amount of impact of the independent variable on the dependent ones

Model Summary						
Model	R	R Square ^b		Adjusted R Square	F	Sig.
1	.929 ^a	.864		.837	32.345	.000
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	x ₁	.070	.157	.065	.449	.006
	x ₂	.242	.175	.226	1.380	.004
	x ₃	.022	.148	.020	.150	.002
	x ₄	.241	.169	.215	1.423	.001
a. Dependent Variable: y ₃						
b. Linear Regression through the Origin						

The Fourth Hypothesis:

Table (3-4) measures the impact of the intrapreneurship's dimensions on the modern technology adoption (y_4), it was found that the value of determination coefficient was ($R^2=0.825$), which means that the independent variable explains (82%) of the variation in the dependent variable (y_4), so the rest is attributed to other variables not considered here, or to the random, its value is about (18%). The correlation coefficient of the relationship between variables, is ($R = 0.908$), this shows the existence of a strong relationship. The value of the test ($F = 24,102$), explains that there is an appropriateness of the data regression line and its null hypothesis for the regression model, as the level of significance reached (0.000), which is less than (0.05), this denotes that there are no significant differences, so the model represents the studied phenomenon accurately and that the regression line fits the data given, yet we reject the null hypothesis and accept the alternative hypothesis, i.e. the existence of the impact of Intrapreneurship on modern technology adoption. As for the coefficient (β), which represents the impact of each of the independent variables on the dependent variable with a significant level of less than (0.05) after passing the (t) test. That is, the relationship is direct and has a significant impact.

Table 3-4: shows the coefficient of determination, correlation coefficient, and the amount of impact of the independent variable on the dependent ones

Model Summary						
Model	R	R Square ^b		Adjusted R Square	F	Sig.
1	.908 ^a	.825		.791	24.102	.000
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	x ₁	.165	.152	.177	1.079	.016
	x ₂	.121	.170	.132	.710	.031
	x ₃	.070	.144	.075	.490	.026
	x ₄	.152	.164	.158	.926	.009
a. Dependent Variable: y ₄						
b. Linear Regression through the Origin						

The Fifth Null Hypothesis:

Table (3-5) exposes the impact of the intrapreneurship' dimensions on organizational innovation (y_5). It is that the value of ($R^2=0.863$), which means (the coefficient of determination explains (86%) of the variation in the dependent variable (y_5), so the rest 14% the rest is considered as othe non taken variables or attributed to unknown error. As for measuring the relationship between variables, the value of correlation coefficient ($R = 0.929$) so we understand that the relationship is strong. For the value of the test ($F = 32,081$), which tests the appropriateness of the data regression line and its null hypothesis for the regression model, which indicates that (the regression line fits the given data) as the level of significance reached (0.000), which is less than (0.05), so it means the absthnce of significant differences and that the model represents accurately the studied phenomenon drunk. Also it shows that the regression line fits the given data, i.e. not accepting the null hypothesis and accepting the escape.dopting the alternative one. Respect to the coefficient (β), which explains the impact of each sub-variable of intrapreneurship with a significant level less than (0.05) after doing the test (t), the relationship is direct and has a significant impact, which indicates that all dimensions have a significant impact. On organizational innovation.

Table 3-5: A shows the coefficient of determining the best model and the amount of impact of the independent variables

Model Summary						
Model	R	R Square ^b	Adjusted R Square		F	Sig.
1	.929 ^a	.863	.836		32.081	.000
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	x ₁	.252	.148	.247	1.699	.005
	x ₂	.082	.166	.081	.495	.023
	x ₃	.223	.140	.215	1.594	.017
	x ₄	.627	.083	.606	1.604	.000
a. Dependent Variable: y ₅						
b. Linear Regression through the Origin						

3. CONCLUSION

In this study we explored the effects of intrapreneurship wits four elements, idea generation, proactiveness, risk taking and empowerment on innovation with its five categories, product, process, service, organizational and technology adoption in Rafidain Bank. All the five null hypothesis that supposed the existing relationship or impact were not supported.

The statistical analysis showed high relationship between intrapreneurship and each dependent subvariable with high correlation and determination coefficients. So, the study found that intrapreneurship contributes significantly to fostering innovation in all its types. Also, the research indicates that intrapreneurship enhances employee engagement and motivation which affect positively all the innovative behaviours. Finally, the author recommends that senior management in Rafidain Bank to develop special training courses in intrapreneurship and to institutionalize this practice in all the branches inside and outside Iraq. The collaboration with local universities will help a lot in developing students' skills so banks can recruit and contract skilled employees that understand what is the meaning and importance of intrapreneurship, and with some additional training they will be a good resource of innovation.

Appendix 1: The Questionnaire used in the study

Likert scale was used to rate each statement (e.g., Strongly Disagree 1, Disagree 2, Neutral 3, Agree 4, Strongly Agree 5) to measure the respondents' perceptions.

Independent Variable: Intrapreneurship

Sub-variables:

1. Idea Generation
2. Proactiveness
3. Risk-Taking
4. Empowerment

Statements:

1. **Idea Generation**
 - Employees are stimulated, products, and to propose new ideas for improving processes and services.
 - Always I observe my colleagues present innovative ideas.
 - There are structured programs in our bank to capture employee suggestions for innovation.
 - Resources are allocated by the bank to develop ideas introduced by employees.
2. **Proactiveness**
 - Employees do not wait for instructions from bank management and they are encouraged to take initiative.
 - The bank recognizes and rewards proactive behaviors among its employees.
 - I feel motivated to pay attention and forecast future challenges and take action.
 - There is an organizational culture of acting quickly on opportunities available within the bank.
3. **Risk-Taking**
 - Continuous encouragement and support are ready by the bank for employees in taking calculated risks to lead innovation.
 - Failure is considered a learning experience rather than a setback in the bank.
 - Employees are not blamed or penalized for taking risks that fail as expected desired results.
 - Experimentations are very welcome and highly promoted in the bank workplace.
4. **Empowerment**
 - Training and development are offered continuously in the the bank in order to empower employees for innovation.
 - Employees are given generously what needed (support, resources) to implement and execute innovative ideas.
 - Management actively involves employees in the innovation process.
 - Employees were actively empowered by bank's leadership to participate and contribute to innovation development strategies.

Dependent Variable: Innovation

Sub-variables:

1. Product Innovation
2. Process Innovation
3. Service Innovation
4. Technology Adoption
5. Organizational Innovation

Statements:

1. **Product Innovation**
 - The bank has introduced new financial products in the past year.
 - Employees are encouraged employees to develop and introduce new product ideas management by the bank management.

- The new introduced products were highly welcome by customers.
- There is a Continuous effort are going on in the bank to innovate and improve existing products.

2. Process Innovation

- The bank regularly renovate its processes to improve and rise efficiency.
- Always employees are engaged actions to innovate banking processes.
- The bank has successfully introduced and applied innovative processes that have driven to cost reduction.
- The bank strategic plan's main focus is process innovation.

3. Service Innovation

- Based on customers' feedback, the bank has introduced new services.
- Employees participate continuously in bringing in ideas to enrich customer service experience.
- The bank's policy is to continuously improve its service offerings to keep its competitive position.
- The bank consider innovation in customer service as a high priority.

4. Technology Adoption

- The bank normally is alert and quick to adopt new technologies to improve operations.
- Employees are trained on the new technologies to increase and improve their performance.
- The bank's adoption of technology has led to an important improvements in services offered to customers.
- Digital transformation is considered as a priority for the bank, and there is huge focus on it.

5. Organizational Innovation

- The bank is open to and works heavily on restructuring and changes to achieve new innovations.
- Cross-functional teams for innovation are normal practice in the bank and all employees are encouraged to participate in its activities.
- In the bank, the organizational structure is a supportive factor in rapid decision-making for innovation processes and initiatives.
- The bank's senior management is dedicated to enhancing an organizational culture of innovation

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