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Corporate governance system and intrapreneurial orientation in indigenous oil servicing firms in Port Harcourt: The moderating role of resource availability

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Abstract
The study investigated the relationship between corporate governance system and intrapreneurial orientation and moderating role of resource availability in indigenous oil servicing firms in Port Harcourt. A survey approach was adopted; hence questionnaire was developed and distributed to the respondents in the 150 firms that took part in the study. A Cronbach's alpha value of 0.708 to 0.999 was obtained for all the dimensions and measures through the use of SPSS version 20. This proved that the research instrument was internally consistent. Out of the 150 distributed questionnaires only 128 were retrieved and treated for further analysis. The study developed and tested 10 hypotheses. The result of the tested hypotheses showed significant relationship between the two variables under study and that resource availability had a moderating effect on the relationship between corporate governance system and intrapreneurial orientation. The researcher concluded that there was a negligible negative relationship between corporate governance system and intrapreneurial orientation except for board composition and proactiveness which showed a strong positive relationship. The researcher recommended that an intrapreneurial oriented indigenous oil servicing firm should seek a "first mover" posture and enjoy advantages of early starter.

Keywords: corporate governance system, intrapreneurial orientation, resource availability

Introduction

According to Coulthard and Loss (2007) [10], intrapreneurship is entrepreneurship within an existing organization, referring to emergent behavioural intentions and behaviours of an organization that are related to departures from the customary. They supported the concept that intrapreneurial orientation (IO) determines absolute and relative growth of the firm.

Kakati (2003) [43] found that IO plays an important role to determine how big or small firms compete and survive. Intrapreneurial traits are exhibited by firms to succeed in various business endeavours and outperform competitors. Monnavarian and Ashena (2009) [52] posit that intrapreneurial orientation helps firms to address the complexity caused by globalization, and becomes instrumental for business survival, growth, profitability, and market competitiveness.

Intrapreneurship is therefore the process by which individuals inside organizations pursue opportunities without regard to the resources they currently control (Steveson and Jarillo 1990) [61]. As the entrepreneurial behaviour of individuals will take place in the existing firm, the entrepreneurial orientation will be termed intrapreneurial orientation. IO is a key concept when executives are crafting strategies in the hope of doing something new and exploiting opportunities that other organizations cannot exploit. IO refers to the processes, practices and decision-making styles of organizations that act entrepreneurially (Lumpkin & Dess, 1996) [49].

Corporate Governance is a voluntary code of conduct that the Board of Directors particularly Chief Executive Officer of the business is expected to follow in operating the business. Corporate governance basically addresses the need for a company's shareholders (the owners) and their elected representatives (the board of directors) to ensure that the firm's executives (the management team) strive to maximize long-term shareholder value. It is basically about fair management, transparency, disclosure, responsibility and accountability in governing the affairs of the firm.

Researchers have tried to identify the relationship between intrapreneurial orientation (IO) and corporate governance system (CGS), for example, Fiegnener (2005) and Beaver, Davies and Joyce (2007) [5], point out that research on CGS and corporate entrepreneurship have been focused on agency problems, ownership structure, board composition and shareholders interest. There is however, no major studies found that prove the relation of governance structures and IO Davis, (2007) [14] revealed the effect and importance of external environmental factors on intrapreneurial orientation. In this study the environmental factor to be considered is resource availability. The external environment offers new opportunities with attendant problems, which a firm must deal with in order to survive (Covin & Slevin, 1991; Zahra & Garvis 2000) [11, 67].

The Indigenous oil servicing firms in Port Harcourt have gone, and are still going, through a series of transformation in intrapreneurial orientation and corporate governance systems. One of the fundamental challenges facing the indigenous oil servicing firms in Port Harcourt is the skill transformation process within the corporate ladder, proactiveness in the face of change through entrepreneurial creative activities and preferences for risk-taking and development of new initiatives within the organization. The problem therefore becomes one of determining the relationship between these elements of IO and the characteristic of CGS that drives the support or disposition of intrapreneurial activities within the indigenous oil servicing firms in Port Harcourt.

Literature Review

Corporate Governance System (CGS)

Corporate governance system is concerned with the processes, systems, practices and procedures as well as the formal and informal rules that govern institutions and the manner in which these rules and regulations are applied and followed. CGS has been widely used by researchers, academics, policy makers and organisations' decision makers (Brickley and Zimmerman 2010) [9]. Kocmanova *et al* (2011) [46] highlighted that: corporate governance is important in changing economic growth and sustainability, in both developed and developing economies through IO. Corporate governance is distinct. Haniffa and Hudaib (2006) [32], point out that: corporate governance plays a vital role in promoting the efficient use of resources both within the organisation and the larger economy while at the same time, fostering a positive interaction between the organisation and the economies both domestically and globally. According to Core, Holthausen and Larcker (1999), previous studies on corporate governance have addressed ownership structure, the agency problem and if there is any optional structure for composition of board. Thus, explanation for the evidence of increasing failure of certain governance structures to support managers' preferences of innovativeness, proctiveness and risk-taking ability in the face of changing technology, thereby increasing and sustaining the organisations performance. To date there has been mixed empirical evidence on how corporate governance impacts managers' support or disposition on intrapreneurial initiatives in a developing economy such as Nigeria. There are three dimensions of corporate governance that can help minimize agency problem of the firm (Metrick & Ishii, 2002) [51]. They are: composition of board of directors, ownership structure and CEO characteristics.

Composition of Board of Directors: Composition of board is often considered a major source of monitoring a firm's conduct and performance. Jensen (1993) [41] posits that: executive directors are not likely to effectively monitor the performance of the CEO because their career is closely tied to the incumbent CEO. Borokhovich, *et al* (1996) [8], Weisbach (1988) [65], Rosenstein and Wyatt (1990) all agreed that membership of a board relates to various agency problems in an organization. For performance and board size, Yermack (1996) [66] provided proof of negative relations between board size and value of the firm, while Hermalin and Weisbach (1991) [65] found no significant relations between firms' performance and composition of board. Hermalin and Weisbach (1991) [65] and Jensen (1993) [42] posit that CEOs often control the composition of the board and lessen its monitoring role. This is especially possible when a person combines the positions of chairman and CEO, and the use of exclusively large boards that increases communication problems among board members.

Ownership Structure: The free-rider problem is minimized and internal constraints on managerial discretion can probably be imposed if ownership is concentrated in the hands of a large block of shareholders, be it the individuals, organizations or investment fund shareholders. Franks & Mayer (1994) studied some private enterprise in Germany and found concentrated share ownership is associated with high rates of turnover of directors. Kaplan and Milton (1994) [44] found the existence of large shareholders raises the probability that managers of poorly performing firms will be replaced. La Porta *et al* (1999) [47] found high concentration could minimize agency costs since it could serve as a substitute for legal protection.

CEO Characteristics: The relationship between characteristic of chief executive officer and performance of large firms has been investigated, (Jarymiszyn, Clark and Summers 1985) [39] Abowd, (1990) [1] studied the impact of compensations of chief executive officer on the performances of firms while Myerson, (1992) [53] examined the impact of compensation on ownership structures and executives in a number of firms in Sweden. Demographic CEO characteristics have been researched in relation to strategic change (Boeker, 1997) [7], strategy (Guthrie and Datta, 1998) [31] and performance (Daily, Certo and Dalton, 2000; Ocasio, 1999; Guthrie and Datta, 1998) [12, 55, 31]. Chief executive Characteristics mostly discussed are age, executive tenure, functional expertise and education (Glunk, Heijltjes and Olie, 2001) [28].

Resource Availability

Resource availability is an economic factor which its scarcity or abundance in the environment may affect business performance. Resource availability may be referred as environmental munificence which is the scarcity or abundance of resources available in an environment and demanded by one or more firms (Dess, *et al,* 2005) [49]. From the firm level of analysis, the level of munificence is directly related to a firm's ability to acquire resources from the environment and may impact firm performance (Davis, 2007) [14]. The surroundings in which business operate is very complex, ever - changing and competitive in nature (Lee *et al* 2011) [48]. Resources considered in this study are financial, human and material resources.

Intrapreneurial Orientation (IO)

Intrapreneurial orientation is a dimension of strategic posture represented by individual's risk-taking propensity, tendency to act in a competitively aggressive, proactive manner and reliance on frequent innovation within a firm. IO may be a major requirement for a firm's success and increased performance (Urban 2008) [62]. Fang *et al.,* (2009), point out that any organisation with strong IO support appears to be innovative and always willing to encourage innovativeness, product development and advancement of new technologies and ideas. For the organization to be intrapreneurially successful, through innovation and venturing, strong managerial support, the creation of a favourable organizational setting and governing board involvement in strategic intrapreneurial decision controls can shape an environment where IO can flourish (Covin and Slevin 1991) [11]. The concept of IO incorporates an organisation consistent set of related activities or processes (Olivier and Veronique 2009) [56], practices, and decision-making activities that lead to new venturing. Prior theory and research (Dunkelberg and Cooper 1982; Lumpkin and Dess 1996; Covin and Slevin 1991; Chang *et al.,* 2007) [17, 49, 11] indicate that IO simplifies how organisations can be intrapreneurially successful through innovation and venturing with strong managerial support and the creation of settings that allows an enabler of corporate entrepreneurial activities to flourish. Similarly, (Frishammar, and Horte, 2007; Urban 2008; Ezirim and Nwokah 2009; Perez-Luno, Wiklund and Cabrera 2010; Faizol, Hirobuni and Tanaka 2010; Javalgi and Todd 2010) [25, 63, 19, 57, 20, 40], found support that IO has a positive correlation with overall organisational performance in new venturing, introduction of novel ideas in product development, improvement on services, new market penetration, market share growth, and management commitment to human capital development. Prior studies have confined and adopted the innovative, proactive and risk-taking approaches of IO, which are measured as independent dimensions (Hughes and Morgan 2007) [35].

Innovativeness: Innovation can be considered as a necessary ingredient for firms simple wanting to remain competitive (Darroch and McNaughton, 2002). Covin and Miles (1999) [11] suggested that intrapreneurship would not exist without innovation. Damanpour (1991) observed that corporate innovation is a broad concept that generally includes the generation, development, and implementation of new ideas or behaviour in an existing firm. This is supported by Tidd, Bessant and Pavitt (2001) who defined innovation as a process of thinking creatively and successfully implementing the creative ideas in the organisational goal. A willingness to introduce newness and novelty through experimentation and creative processes; aimed at developing new products and services, as well as new processes within existing firms is important (Lumpkin and Dess 2005) [15].

Proactiveness: Proactiveness refers to an on-going perspective where a firm actively seeks to anticipate and take advantage of opportunities to develop and introduce new products and implement changes to existing firm's strategies and tactics, and the ability to detect future market trends while securing first-mover advantage in the short-term and shaping the direction of the market environment in the long-term (Lumpkin and Dess 1996; Lyon, Lumpkin and Dess 2000; Lumpkin and Dess 2005; Hughes and Morgan 2007) [49, 15, 35]. Henderson and Cool, (2003) [33] observed that managers decision making to be the first-mover may be affected by biases, and if the firm's governance structures do not support IO, they may fail to consider developing uniqueness in new product development that their rivals may find difficult to copy. Lumpkin and Dess (2005) [15], argue that being an industry leader does not bring about economies of scale and that firms act proactively in two ways by; introducing new products or technological capabilities ahead of their competitors and continuously seeking out new products or service offerings. Chang *et al.*, (2007) [7], postulate that a proactive firm does things ahead of their rivals rather than after. They lead in the development of new technologies, products and services as well as capacity building to enhance growth, while Keh *et al.*, (2007) [45] argue that proactiveness enables firms to be innovative and utilizes internal sharing of knowledge and information to exploit competitors' novelty.

Risk Taking: Firms are always confronted, either voluntarily or compulsorily, with the challenges of uncertainties and potential financial and social losses when venturing into new products and services. These firms have to make decisions and taking action without knowledge of expected outcomes (Lumpkin and Dess, 2005) [15] and make huge financial and resource commitments in the process of venturing forward for growth and sustainability. Voss *et al.*, (2005) [64], defined risk-taking as a commitment to experimentation in the face of uncertainty. The external environment may be perceived to be risky and the involvement of directors in the decision-making process could impact on management preferences for risk-taking. However, as stipulated by Philip Armstrong (IOD 2014) [38], directors should ensure that there is an effective risk-based internal audit responsible for the process of risk management and appreciative that strategy, risk, performance and sustainability are inseparable thus, changing the interface of governance systems from a dominant directorship to a participative intrapreneurial approach. Chang *et al.*, (2007) [7] pointed out that a generous environment without competitive position may not provide firms with a stimulus to take risks the same way excessively hostile environments will discourage risk-taking initiatives.

Studies on intrapreneurial orientation and firm performance appeared to have produced mixed findings. Merlo and Auh (2009) [50], Faizol *et al* (2010) [20] reported a significant and positive relationship between intrapreneurial orientation and firm performance. Anderson (2010) [3] reported a negative association between intrapreneurial orientation and firm performance, whereas, Ambad and Abdul Wahab (2013) [2] findings indicated a mixed result of the IO performance relationship. Thus, IO – performance relationship is inconclusive and suggests the need for further research. The problem therefore becomes one of determining the relationship between these elements of IO and the characteristic of CGS that drives the support or disposition of intrapreneurial activities within the indigenous oil servicing firms in Port Harcourt.

Methodology

The study is a cross-sectional research design that involves descriptive studies of the selected respondents' characteristics in terms of age, gender, marital status, academic levels, type of business, age of the business, number of employees, board size and board membership. Using descriptive and inferential statistical methodology, an actual determination of the relation between the three theoretical dimensions of CGS and three theoretical measures of IO, were made. Specifically, the independent variables of board composition, ownership structure, and CEO characteristics related or linked to the dependent variables such as innovativeness, proactiveness, and risk-taking dimensions of intrapreneurial orientation. The current study targeted decision makers in the indigenous oil servicing firms in Port Harcourt. The target population consisted of 150 indigenous oil service firms actively operating in Port Harcourt, represented by boards or senior decision-makers across the firms which included executive, non-executive director or CEO. Because of the size of the target population, there was no need for random sampling to determine the sample size. The unit of analysis of this study is the firm.

The sample size of this research comprised of 150 indigenous oil servicing firms in Port Harcourt selected from oil and gas directory website and confirmed by Nigerian Content Development & Monitoring Board. (*www.portharcourtdirectory.com/oil_and_gas/services2*)

In selecting the target population, foreign firms operating in the industry were excluded and furthermore, all major oil producing companies were also excluded. Selection criteria after exclusion led to a final sampling frame of 150 indigenous oil servicing firms in Port Harcourt, represented by executive/non-executive director or CEO.

Pearson Product Moment Correlation Coefficient represented by (r) was used to answer the research questions while the r coefficients were subjected to critical probability alpha level of significance of.05 to test the null hypotheses. All data analysis was conducted using SPSS version 20.

Data Analysis

Research Question 1: To what extent does board composition relate to innovativeness of indigenous oil servicing firms?

Ho1: Board composition does not significantly relate to innovativeness of indigenous oil servicing firms.

Table 1: Composition of Board of Directors and Innovativeness

Correlations			
		Composition of Board	**Innovativeness**
Conposition of Board	Pearson Correlation	1	.096
	Sig. (2-tailed)		.283
	N	128	128
Innovativeness	Pearson Correlation	.096	1
	Sig. (2-tailed)	.283	
	N	128	128

From table 1, the correlation coefficient (r) value of.096 indicates that Composition of Board of Directors has a weak positive relationship with Innovativeness and the relationship is said to be insignificant with a p-value of.283 which is >0.05.

Research Question 2: To what extent does board composition relate to risk taking ability of indigenous oil servicing firms?

Ho2: Board composition does not significantly relate to risk taking ability of indigenous oil servicing firms

Table 2: Composition of Board of Directors and Risk Taking

Correlations			
		Composition of Board	**Risk**
Composition of Board	Pearson Correlation	1	-.183*
	Sig. (2-tailed)		.039
	N	128	128
Risk	Pearson Correlation	-.183*	1
	Sig. (2-tailed)	.039	
	N	128	128

*. Correlation is significant at the 0.05 level (2-tailed).

From table 2 the correlation coefficient (r) value of -.183 indicates that Composition of Board of Directors has a weak negative relationship with Risk Taking and the relationship is said to be significant with a p-value of.039 which is <0.05.

Research Question 3: To what extent does board composition relate to proactiveness of indigenous oil servicing firms?

Ho3: Board composition does not significantly relate to proactiveness of indigenous oil servicing firms.

Table 3: Composition of Board of Directors and Proactiveness

Correlations			
		Composition of Board	**Proactiveness**
Composition of Board	Pearson Correlation	1	.594**
	Sig. (2-tailed)		.000
	N	128	128
Proactiveness	Pearson Correlation	.594**	1
	Sig. (2-tailed)	.000	
	N	128	128

**. Correlation is significant at the 0.01 level (2-tailed).

From table 3, the correlation coefficient (r) value of.594 indicates that Composition of Board of Directors has a strong positive relationship with Proactiveness and the relationship is said to be significant with a p-value of.000 which is <0.05.

Research Question 4: To what extent does Ownership structure relate to innovativeness of indigenous oil servicing firms?

Ho4: Ownership structure does not significantly relate to innovativeness of indigenous oil servicing firms.

Table 4: Ownership Structure and Innovativeness

Correlations			
		Ownership Structure	**Innovativeness**
Ownership Structure	Pearson Correlation	1	-.104
	Sig. (2-tailed)		.245
	N	128	128
Innovativeness	Pearson Correlation	-.104	1
	Sig. (2-tailed)	.245	
	N	128	128

From table 4, the correlation coefficient (r) value of -.104 indicates that Ownership Structure has a weak negative relationship with Innovativeness and the relationship is said to be insignificant with a p-value of.245 which is >0.05.

Research Question 5: To what extent does Ownership structure relate to risk taking ability of indigenous oil servicing firms?

H05: Ownership structure does not significantly relate to risk taking ability of indigenous oil servicing firms.

Table 5: Ownership Structure and Risk taking

Correlations			
		Ownership Structure	**Risk**
Ownership Structure	Pearson Correlation	1	-.065
	Sig. (2-tailed)		.465
	N	128	128
Risk	Pearson Correlation	-.065	1
	Sig. (2-tailed)	.465	
	N	128	128

From table 5, the correlation coefficient (r) value of -.065 indicates that Ownership Structure has a weak negative relationship with Risk taking and the relationship is said to be insignificant with a p-value of.465 which is >0.05.

Research Question 6: To what extent does Ownership structure relate to Proactiveness of indigenous oil servicing firms?

Ho6: Ownership structure does not significantly relate to Proactiveness of indigenous oil servicing firms.

Table 6: Ownership Structure and Proactiveness

Correlations			
		Ownership Structure	Proactiveness
Ownership Structure	Pearson Correlation	1	-.297**
	Sig. (2-tailed)		.001
	N	128	128
Proactiveness	Pearson Correlation	-.297**	1
	Sig. (2-tailed)	.001	
	N	128	128

**. Correlation is significant at the 0.01 level (2-tailed).

From table 6, the correlation coefficient (r) value of -.297 indicates that Ownership Structure has a weak negative relationship with Proactiveness and the relationship is said to be significant with a p-value of.001 which is <0.05.

Research Question 7: To what extent do CEO characteristics relate to innovativeness of indigenous oil servicing firms?

Ho7: CEO characteristics do not significantly relate to innovativeness of indigenous oil servicing firms

Table 7: CEO Characteristics and Innovativeness

Correlations			
		CEO Characteristics	Innovativeness
CEO Characteristics	Pearson Correlation	1	-.100
	Sig. (2-tailed)		.259
	N	128	128
Innovativeness	Pearson Correlation	-.100	1
	Sig. (2-tailed)	.259	
	N	128	128

From table 7, the correlation coefficient (r) value of -.100 indicates that CEO Characteristics has a weak negative relationship with Innovativeness and the relationship is said to be insignificant with a p-value of.259 which is >0.05.

Research Question 8: To what extent do CEO characteristics relate to risk taking ability of indigenous oil servicing firms?

Ho8: CEO characteristics do not significantly relate to risk taking ability of indigenous oil servicing firms.

Table 8: CEO Characteristics and Risk taking

Correlations			
		CEO Characteristics	Risk
CEO Characteristics	Pearson Correlation	1	.226*
	Sig. (2-tailed)		.010
	N	128	128
Risk	Pearson Correlation	.226*	1
	Sig. (2-tailed)	.010	
	N	128	128

*. Correlation is significant at the 0.05 level (2-tailed).

From table 8, the correlation coefficient (r) value of.226 indicates that CEO characteristics has a weak positive relationship with Risk taking and the relationship is said to be significant with a p-value of.010 which is <0.05.

Research Question 9: To what extent do CEO characteristics relate to proactiveness of indigenous oil servicing firms?

Ho9: CEO characteristics do not significantly relate to proactiveness of indigenous oil servicing firms.

Table 9: CEO Characteristics and Proactiveness

Correlations			
		CEO Characteristics	Proactiveness
CEO Characteristics	Pearson Correlation	1	-.361**
	Sig. (2-tailed)		.000
	N	128	128
Proactiveness	Pearson Correlation	-.361**	1
	Sig. (2-tailed)	.000	
	N	128	128

**. Correlation is significant at the 0.01 level (2-tailed).

From table 9, the correlation coefficient (r) value of -.361 indicates that CEO Characteristics has a weak negative relationship with Proactiveness and the relationship is said to be significant with a p-value of.000 which is <0.05.

Research Question 10: To what extent does **r**esource availability moderate the relationship between CGS and IO of indigenous oil servicing firms?

Ho10: Resource availability does not significantly moderate the relationship between CGS and IO of indigenous oil servicing firms.

Table 10: Resource Availability, Corporate Governance System (CGS) and Intrapreneurial Orientation (IO)

Correlations					
Control Variables			CGS	IO	Resource Availability
-none-[a]	CGS	Correlation	1.000	-.011	.053
		Significance (2-tailed)	.	.898	.553
		Df	0	126	126
	IO	Correlation	-.011	1.000	.396
		Significance (2-tailed)	.898	.	.000
		Df	126	0	126
	Resource Availability	Correlation	.053	.396	1.000
		Significance (2-tailed)	.553	.000	.
		Df	126	126	0
Resource Availability	CGS	Correlation	1.000	-.035	
		Significance (2-tailed)	.	.694	
		Df	0	125	
	IO	Correlation	-.035	1.000	
		Significance (2-tailed)	.694	.	
		Df	125	0	

a. Cells contain zero-order (Pearson) correlations.

In table 10, the Partial Correlations table shows both the zero-order correlations (correlations without any moderating variables) of all three variables and the partial correlation of the first two variables controlling for the effects of the third variable (Resource Availability).

The zero-order correlation between Corporate Governance System (CGS) and Intrapreneurial Orientation (IO), indeed, shows a negligible negative relationship (-.011) and not statistically significant. The partial correlation controlling for resource availability, however, is a negligible positive relationship and not statistically significant.

Discussion of Findings

The zero-order correlation has helped us to achieve the purpose of the study. With a coefficient correlation of (-.011), we can conclude that there is a negligible negative relationship between Corporate Governance System and Intrapreneurial Orientation. This is in contrast with the view of Daily and Dalton (1992) [12], which states that theories of business literature suggest strong linkages between CGS and intrapreneurial activities within the organisation. Some of the hypotheses were supported while some were rejected. For instance, hypothesis 1, 4, and 7 that tried to relate CGS with innovativeness showed weak and insignificant relation between all measures of CGS and innovativeness leading to the acceptance of the null form while the alternative was rejected. However, test of hypothesis 3 showed a strong and significant relationship between CGS (board composition) and IO (Proactiveness) that supports the view of Daily and Dalton (1992) [12], Neubaum and Gabrielsson (2005) [54], Frishammar and Horte (2007) [25], Javalgi and Todd (2010) [40].

CGS (ownership structure and CEO characteristics) and IO (risk taking ability) showed weak and significant relationship which is in agreement with Zahra (1996) [67], Lumpkin and Dess (2005) [15], Drew *et al* (2006), Diochon (2010). Most of the CGS and IO tested relationships were weak because this study focused on indigenous oil servicing firms that have narrow ownership structure concentrated on family members as opposed to large shareholders that are widely dispersed as noted by Shleifer and Vishny (1986) [47], Frydman *et al* (1997) [26]. In most of these indigenous oil servicing firms, the CEO doubles as the chairman of board of directors and as posited by Friedlander, Berndt and McCullough (1992) [24], this and other CEO characteristics like level of education account for the weak relationship between CGS and IO in indigenous oil servicing firms in Port Harcourt. On the issue of moderating role of Resource Availability, the findings of the study show that resource availability moderates the relationship between Corporate Governance System and Intrapreneurial orientation. This is in agreement with Davis (2007) [14] which posits that a firm's ability to acquire resources from the environment may impact the firm performance.

Conclusion

The study revealed that there is a negligible negative relationship between Corporate Governance System (CGS) and Intrapreneurial Orientation (IO) except for Board Composition (CGS) and Proactiveness (IO) which showed a strong positive relationship. Furthermore, Board Composition and CEO Characteristics (CGS) showed weak positive relationship with Innovation and Risk taking (IO) respectively. The study further revealed that Resource Availability moderates the relationship between Corporate Governance System and Intrapreneurial Orientation in indigenous oil servicing firms in Port Harcourt.

Recommendations

The following recommendations were made

1. Corporate directors and management in indigenous oil servicing firms must develop a willingness and strategy to be proactive in business ventures.
2. An intrapreneurial oriented indigenous oil servicing firm should seek a "first mover" posture and enjoy advantages of early starter, and also introduce new products or technology before the competitors.
3. Indigenous oil servicing firms should be willing to introduce newness and novelty through experimentation and creative processes aimed at developing new products and services, as well as expand capacity ahead of competitors.

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