Transformational Leadership Dimensions and Job-Based Psychological Ownership as Facilitators in International Intrapreneurship of Family Firms

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Transformational Leadership Dimensions and Job-Based Psychological Ownership as Facilitators in International Intrapreneurship of Family Firms

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Abstract

Research Aims: The purpose of this study is to examine the effects of transformational leadership dimensions (TL) and job-based psychological ownership (PO) on nonfamily employee international intrapreneurship in family firms (FFs).

Design/methodology/approach: The study adopted a sample of 246 key role nonfamily employees at 118 family-owned export and import SMEs in Ho Chi Minh City, Vietnam. The data are analysed using a partial least squares structural equation modelling (PLS-SEM).

Results: The article identifies four dimensions of TL and international intrapreneurship in which both concepts are interlinked. Job-based PO plays a significant role in the TL dimensions’ effects on international intrapreneurship.

Theoretical Contribution/Originality: The article establishes the mechanism by which TL constructs influence nonfamily employee international intrapreneurship actions by examining the mediating role of employee job-based PO in FFs.

Managerial Implication in the South East Asian context: FFs need to develop the architecture and mechanisms for enabling nonfamily employees’ international intrapreneurship to be committed to TL constructs and job-based PO.

Research limitation & implications: This article contributes to international business theory by interpreting the export trading results of FFs using entrepreneurship theory. However, each stage of FFs international business requires a unique set of resources. As a result, it is necessary to incorporate theoretical perspectives from both domains to explain each internationalisation stage of FFs adequately.

Keywords: International intrapreneurship, psychological ownership, strategic renewal, transformational leadership dimensions, new business venture

INTRODUCTION

Intrapreneurs and employee international resources contribute to a firm’s competitiveness (Dung & Giang, 2021; Mostafiz et al., 2020; Skarmeas et al., 2016). Family firms (FFs) must balance and sustain conflicting forces, balancing the desire to protect core family values and control power and tradition by remaining rooted in the local market with the desire for internationalisation (Arregle et al., 2017; Giang and Dung, 2021; Huynh, 2021). SMEs thrive when a corporate culture strikes a bal-

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ance between the continuity of fundamental concepts and necessary change (Collins and Porras, 1994). In an era of hyper-competition and dynamism, the success of FFs’ international business is increasingly contingent on intrapreneurship and an assertive stance (Idris & Saad, 2019; Ratten, 2020). Pre-competitive research has primarily focused on corporate entrepreneurship within large established manufacturing firms, using macro-level analysis (Hill & Birkinshaw, 2014). The unique nature of FFs necessitates a contextualized reassessment of established theories that integrate international corporate entrepreneurship within the context of FFs and international business to gain a better understanding of how they approach international intrapreneurship differently in the FFs context (Minola et al., 2021).

Nonfamily employee outcomes might be affected by the development stage of FFs, necessitating additional research into how the life cycle of FFs affects organisational change pressures, core resources, and organisational change, as well as which leadership styles are appropriate in FFs. In volatile, uncertain, complex, and ambiguous business environments defined by a constrained economy, unstable currencies, and socio-political challenges, a positive attitude toward organisations, particularly leadership, is critical (Rodriguez & Rodriguez, 2015). The significance of leadership in intrapreneurship is based on the need to create a new system, new institutional factors, and new management approaches (Giang & Dung, 2021). TL is a critical leadership style in FFs (Arnold, 2017; Fries et al., 2021; Vallejo, 2011). FFs face a conflict of interest between adhering to core family values and adapting to changing market conditions and stakeholder expectations. The leader or head of the family is in a state of emotional conflict, which results in TL being exercised in FFs (Tipu, 2018). TL contributes to intrapreneurship by motivating and supporting employee commitment to the change (Farahnak et al., 2020; Galbreath et al., 2020; Luu and Phan, 2020).

Employee job-based psychological ownership (PO) is a cutting-edge method for increasing efficiency by instilling a commitment to positive behaviours (Huynh, 2021). Job-based PO enables employees to act proactively due to their perception of ownership in decision-making rather than the organisation’s power mechanisms or decentralisation (Malik et al., 2021). There is a significant demand for research into the influence of institutional characteristics and national cultures on the form and success of intrapreneurship in various settings (Lampe et al., 2019). Although TL is widely recognised as a critical factor in organisational change and innovation performance, very few studies have examined the mechanism by which TL constructs influence nonfamily employee international intrapreneurship and the mediating role of employee job-based PO.

The paper aims to distinguish and explain the direct effect of TL on nonfamily employee international intrapreneurship actions and the mediating role of job-based PO. The paper grants the influencing mechanisms of TL dimensions on nonfamily employee international intrapreneurship in a dynamic environment under the influence of family factors on employee job-based PO. The paper develops extensive knowledge about generating intrapreneurship within FFs, contributing to the integrative international corporate entrepreneurship and international business theory.
LITERATURE REVIEW

Theoretical foundations

According to stewardship theory, managers are motivated not by personal goals but by the accompanying motivation of owners. This theory asserts that executives can function effectively not only because they possess the capacity but also because they share the beneficiaries’ objectives (Donalson & Davis, 1991; Muth & Donaldson, 1998). Governance mechanisms should be oriented around the right and responsibility of effectively managing high and low levels at each stage of the decision-making process. To be more precise, resolving the issue raised by this mechanism in a way that results in a more acceptable outcome is risky, as is the management mechanism used to control the market’s direction. When management’s objective is to control risks, this mechanism will manage risks by applying control measures. When products become more complex to design, SMEs can establish a quality control department to inspect the finished components. The supervisor will accept the solution as long as it is directed toward the control. In comparison, while management’s commitment to job-based PO and accountability is in jeopardy, this mechanism will be addressed through increased training and authorisation to gain the trust of an increasing number of employees.

According to Lawler, when employees are given challenges and responsibilities, they develop self-control over their behaviour. In contrast, control can have the opposite effect of what is desired, as it constrains managers’ behaviour for the company’s benefit by reducing their motivation (Wilpert, 2019). Scholars who support the stewardship theory also introduce the concept of manager and organisation target identification. A manager who identifies with his or her organisation will work to achieve the organisation’s goals, solve organisational problems, and overcome obstacles that obstruct the completion of assigned tasks (Bass, 1960). Individuals who identify with a business frequently demonstrate cooperative, altruistic, and self-disciplined behaviours (O’Reilly & Chatman, 1986). As a result, managers who identify with the company are motivated to see it succeed and should be empowered to do so, allowing them to apply their competencies themselves to ensure its success.

Transformational Leadership Dimensions and International Intrapreneurship

According to Burn’s (1978) model, TL is defined as the process of inspiring followers to higher levels of performance and positive work outcomes through charisma, inspirational motivation, intellectual stimulation, and individualised consideration, which are highly correlated, with TL functioning as a higher-order construct (Avolio & Bass, 1995). TL is context-dependent, such that leaders will continuously adapt their behaviour to the employee’s developmental stage and the particular business situation (Avolio & Bass, 2004). TL will benefit organisations seeking to accelerate change, and transformational leaders will reduce pessimism and promote positive change (Avey et al., 2008).

Morrow coined the term international entrepreneurship in the late 1980s. It was defined during those years as the process by which an entrepreneur conducts busi-
ness activities across national boundaries (McDougall & Oviatt, 2000). The concept evolved, and international entrepreneurship is now defined as a combination of innovative, proactive, and risk-taking behaviour that transcends national boundaries and adds value to organisations (Antoncic & Hisrich, 2003). Nonetheless, international intrapreneurship appears to be a lesser-known concept and has received less research and development as a term. Intrapreneurship is a term that refers to entrepreneurial activities occurring within established organisations (Antoncic & Hisrich, 2003). It uses innovation, creating new business ventures, or producing new products as tools to find new business opportunities. The distinctions in economic, political, cultural, and technological environments are critical factors contributing to the complexity of international intrapreneurship compared to domestic settings (Onetti et al., 2012). International intrapreneurship is a term used to describe a phenomenon that occurs a firm internationalises (Hisrich, 2013). This term is used when corporations commit entrepreneurial actions in expanding their business abroad – that is, in internationalisation (Chen et al., 2014). International intrapreneurship can be incorporated into an organisation’s international strategy and is intended to generate value (Oviatt & McDougall, 2005).

Two characteristics of intrapreneurship, namely employee strategic renewal and new business ventures, are critical for developing theory in the context of international business (Do & Luu, 2020). International new business ventures entail connecting, enhancing, or attracting resources for new business ventures in international markets. International strategic renewal is defined as actions that leverage core competencies and seize market opportunities to comprehensively innovate strategies ranging from products and services to operational processes and organisational strategies to increase an organisation’s competitiveness in the international market (Luu, 2020). The behavioural and bottom-up approaches appear to be the most appropriate ways to explain the concept of intrapreneurship, as intrapreneurship is more often seen in self-motivated, proactive, and action-oriented employees.

TL dimensions, namely idealised influence, inspirational motivation, intellectual stimulation, attributive charisma and individual consideration of employees, are positively related to innovative behaviour (Afsar & Umran, 2019; Amankwaa et al., 2019; Khalili, 2016; Sanders & Shipton, 2012; Sattayaraksa & Boon-it, 2018; Shafi et al., 2020). Proactive leadership focuses on implementing innovation projects that support administrative innovation behaviours and products/services (Montreuil et al., 2020). Entrepreneurial leadership plays a crucial role in transforming the firm and shaping the ecosystem through different strategies to achieve firm success in global markets (Miao et al., 2019; Newman et al., 2018). Transformational leaders have foresight, helping others to participate at a higher level in organisational achievement (Jung et al., 2008; Luu et al., 2019).

While leadership has been demonstrated to be a critical premise of intrapreneurship, its effects are context-dependent and frequently work against corporate innovation (Montreuil et al., 2020). Familiarity is a resource for intrapreneurship (Arzubiaga et al., 2018; Dung & Giang, 2021; Kansikas et al., 2012). It has been found that the presence of a family CEO and the percentage of family directors have a significant
effect on innovativeness (Deman et al., 2018). TL is particularly relevant in FFs, where the leadership is vested with significant authority and responsibility (Arnold, 2017). The transformational leader’s strengths and dimensions are critical for establishing organisational institutions and strategic directions that can motivate a business to pursue and implement a strategy to foster and strengthen its competitiveness through intrapreneurship (Anning-Dorson, 2021). Family member CEOs’ proclivity for risk-taking positively affects the innovativeness of their new product portfolios in FFs (Kraiczzy et al., 2015). Additionally, while TL is widely acknowledged as a critical factor in organisational change and innovation performance, very few studies have examined the influence of TL on international intrapreneurship in FFs.

**H1.** Transformational leadership dimensions, namely idealised influence (H1a), inspirational motivation (H1b), intellectual stimulation (H1c) and individualised consideration (H1d), directly and positively influence nonfamily employee international strategic renewal in FFs.

**H2.** Transformational leadership dimensions, namely idealised influence (H2a), inspirational motivation (H2b), intellectual stimulation (H2c) and individualised consideration (H2d), directly and positively influence nonfamily employee international new business venture in FFs.

**Transformational Leadership Dimensions and Employee Job-Based Psychological Ownership**

PO is defined as the psychologically experienced phenomenon in which an employee develops possessive sentiments for a specific goal impacted by the individual’s knowledge, ideas, and beliefs about the organization’s goals (Mayhew et al., 2007; Van Dyne & Pierce, 2004). Promotion or prevention might be the goal of PO (Pierce et al., 2003). Promotion focus involves efforts related to attaining objectives, whereas prevention focuses on avoiding penalties and fulfilling deadlines (Alok, 2014; Avey et al., 2009). Organisational behaviour is a component of the positive organisational behaviour approach, which may be seen as a positive psychological resource in which leadership impacts the type of PO experienced (Peng and Pierce, 2015).

Attari (2013) demonstrates that transformational leaders significantly affect employee job-based PO and its dimensions, including impact, competence, meaning, and self-determination. TL can influence employee job-based PO by communicating accurate and relevant information about the organisation’s vision, mission, and strategic goals in a transparent and open communication environment (Avolio & Bass, 2004; Jha, 2014; Pradhan et al., 2017). Job-based PO results from individual consideration in TL, but it is also associated with intellectual stimulation. Through effective job-based PO, TL focuses on developing followers. Empowering leaders through role models and allowing employees to participate in appropriate functions can help foster innovative behaviour within the organisation (Naqshbandi & Tabche, 2018). Positive associations exist between transformational leaders and work and job-based PO (Lan & Chong, 2015).
Employee ownership can be developed in FFs through ownership power and TL dimensions, elevating employee emotions and engaging employees in the leader’s and organisation’s common goals (Memili et al., 2013). Transformational leaders can instil an entrepreneurial mindset in their employees and foster innovation processes throughout FFs (De Massis et al., 2016). A nonfamily employee’s sense of purpose, ownership, and belonging to the organisation is a significant source of satisfaction when TL is in effect (Sorensen, 2000). The combination of ownership power, strategic direction, and TL characteristics increases FFs leaders’ likelihood to adopt TL (Bauweraerts et al., 2021; Pearson & Marler, 2010). Recent findings, however, indicate that this is not always the case (Arnold, 2017). This study examines the relationship between TL and job-based PO among nonfamily employees in FFs.

H3. Transformational leadership dimensions, namely idealised influence (H3a), inspirational motivation (H3b), intellectual stimulation (H3c) and individualised consideration (H3d), directly and positively influence nonfamily employee job-based psychological ownership in FFs.

Employee Job-based Psychological Ownership and International Intrapreneurship

Employee job-based PO entails the organisation providing resources to assist employees in exhibiting positive organisational behaviours through relationship building (Farahani & Falahati, 2007; Hashemi & Nadi, 2012; Mahmoud et al., 2018; Park et al., 2014; Sengar et al., 2020). Job-based PO is a process that affects employee attitudes toward the organisation by fostering/improving loyalty, value congruence, and affective commitment, resulting in self-ownership (Malik et al., 2021; Moghaddas et al., 2020).

Climates in which organizations are empowered through effective communication, a high level of participation and trust, decentralized decision-making, and a friendly environment contribute to the firm’s innovativeness (Anning-Dorson, 2021). Job-based PO enables employees to act proactively due to their perception of job-based PO in decision-making rather than the organisation’s power mechanisms or decentralisation. Autocratic leadership is characterised by a high concentration of power and efforts to preserve family ownership and stifle creativity and innovation (Craig & Moores, 2006; Pittino & Visintin, 2009). The role of PO of employees in intrapreneurship is a gap in previous research on FFs.

H4. Psychological ownership directly and positively influences nonfamily employee international strategic renewal in FFs.

H5. Psychological ownership directly and positively influence employee international new business ventures in FFs.

The Mediating Role of Job-based Psychological Ownership on the Nexus between Transformational Leadership Dimensions and International Intrapreneurship

Employee job-based PO bolsters transition leadership’s influence on organisational behaviour (Joo & Lim, 2013). Numerous contributions have examined the mediat-
ing effects of job-based PO on the relationship between TL, employee behaviour, and organisational success (Ali et al., 2020; Bantha & Nayak, 2020; Bose et al., 2020; Lei et al., 2020; Mansoor and Ali, 2020). Highly TL increases employee ownership, laying the groundwork for greater cohesion and a more sustainable level of innovation capacity in FFs (Gonzalez et al., 2017; Rau et al., 2019; Stanescu et al., 2020). With their vision, altruistic love and faith, managers can inspire feelings of job-based PO among employees and encourage them to engage in intrapreneurship (Usman et al., 2021). In contrast to these findings, a few studies have found that job-based PO does not mediate the correlations between leadership styles and innovation (Farrukh et al., 2019). In previous studies in FFs, the influencing mechanism of TL on intrapreneurship via the mediating role of employee job-based PO has been ambiguous.

H6. Employee job-based PO partially mediates the positive relationship between TL dimensions, namely idealised influence (H6a), inspirational motivation (H6b), intellectual stimulation (H6c), individualised consideration (H6d) and employee international strategic renewal predicted by H1.

H7. Employee job-based PO partially mediates the positive relationship between TL dimensions, namely idealised influence (H7a), inspirational motivation (H7b), intellectual stimulation (H7c), individualised consideration (H7d) and employee international new business venture predicted by H2.

**RESEARCH METHOD**

*The Sample and Data Collection*

Intrapreneurship is critical for international FFs because their distribution channels rely heavily on direct marketing strategies based on employee knowledge, skills, and innovation (Klofsten et al., 2021; Mubarik et al., 2020). Vietnam is a developing market experiencing rapid economic growth alongside societal concerns due to expanded trade and investment activities and the country’s unique political, economic, social, and labour contexts. Additionally, Vietnam is one of the most open economies in the world, an active participant in international integration, and a member of 17 free trade agreements (FTAs) by December 2021, which may stimulate international business development. As a result, Vietnam may develop into an ideal environment for developing and testing contemporary business and theoretical management models in the context of emerging and transformative economies.

The “rules of thumb” are used in this study to determine an appropriate SEM sample size (Soper, 2020). The study uses non-probability sampling to select 246 key role
employees from 118 Vietnamese family-owned import and export SMEs in Ho Chi Minh City, Vietnam. The survey was conducted between July and December 2020. The list of correspondents was provided by the human resource and administration department heads, who approved participation in the study. Employees were invited to participate voluntarily and informed that their responses would be anonymous and confidential. The authors completed the data collection process by conducting direct interviews, primarily through interpersonal interaction, as this method was appropriate for Vietnamese culture. Additionally, an on-the-job interview method is necessary for emerging economies such as Vietnam to ensure quality and reliable data (Do & Luu, 2020). This study’s response rate is 92.25 per cent, which is considered adequate for organisational research (Baruch & Holtom, 2008). Multiple phases control and mitigate the prevalent method bias phenomenon (Podsakoff et al., 2003). The sample’s representativeness is shown in Table 1, along with the necessary parameter values.

**Measures**

Four sub-dimensions of TL are derived from multifactor leadership questionnaires: idealised influence (4 items; e.g., “Our manager considers the ethical implications of his/her decisions”; α= 0.92), inspirational motivation (3 items; e.g., “Our manager paints appealing pictures about what we can do”; α= 0.92), intellectual stimulation (mean of 4 items; e.g., “Our manager has stimulated me to look at things in new ways”; α= 0.89), and individualised consideration (3 items; e.g., “Our manager considers me as having different needs, abilities, and aspirations from others”; α= 0.91) (Avolio & Bass, 2004; Bass & Avolio, 1997). Employees rated their direct manager’s department leadership on a five-point Likert scale ranging from 1 (completely disagree) to 5 (completely agree).

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For international intrapreneurship, we used Do and Luu’s (2020) measurement scale, which consists of two dimensions: employee strategic renewal (3 items; e.g., “I attempt actions to transform the existing product/service for our firm”; α = 0.92), and employee new business venturing (6 items; e.g., “I attempt to establish external agencies for our firm”; α = 0.91). Employees self-assess their international intrapreneurship on a five-point Likert scale ranging from 1 (completely disagree) to 5 (completely agree).

Spreitzer’s (1995) job-based PO questionnaire is used, which includes four constructs: meaning (mean of 3 items; e.g., “My job activities are meaningful to me”; α = 0.91), competence (mean of 3 items; e.g., “My job is well within the scope of my abilities”; α = 0.92), self-determination (mean of 3 items; e.g., “I decide how to go about doing my work”; α = 0.90), and impact (mean of 3 items; e.g., “I influence what happens in my workgroup”; α = 0.88). Employees self-assessed their PO on a five-point Likert scale ranging from 1 (completely disagree) to 5 (completely agree).

### Common Method Bias Testing

Because this study used survey data to respond to a question, common method bias (CMB) could be an issue. The authors followed numerous procedures suggested by Podsakoff et al. (2003) to mitigate the possibility of CMB. First, we employed many inquiries for each structure and ensured impartiality questions. Second, we protected respondents’ anonymity and emphasised that there were no correct or incorrect answers, allowing people to react as honestly as possible. Thirdly, we isolated non-conceptual observational factors from the questionnaire to decrease respondents’ capacity and incentive to re-use previous responses to upcoming questions. Finally, the study used the marker variable technique to analyse the CMB effects, resulting in misleading associations between variables (Malhotra et al., 2006). The authors analysed the associations between a marker variable and other variables in greater detail. The marker variable “respondent confidence level in using Microsoft Excel” was utilised because it is conceptually unrelated to the study model’s relevant factors. The result of testing the route coefficient between significant factors and other variables in the path model using SEM was less than 0.34, demonstrating that CMB is not an issue in this work (Lindell & Whitney, 2001). Furthermore, the mean difference between the initial correlation and the variance corrected for the usual technique is 0.03. As a result, common technique bias does not appear to be a substantial concern in this investigation, and the estimation results may be unaffected.

### RESULTS AND DISCUSSIONS

#### Evaluation of the Measurement Model

The partial least square path modelling model is applied to assess the measurement model fit level and casual analysis, using a component-based approach to estimation based on variance (Wold, 1982). The estimated results confirm the model fit: Chi-square ($\chi^2$) = 1191.16 ($p \leq .001$) (Segars & Grover, 1993); Standardised root mean square residual (SRMR) = 0.061 (Hu & Bentler, 1998). Table 2 shows the
reliability and convergent validity of the measure, with all factor loadings among constructs at 0.80 or higher (Hair et al., 2019).

The pairwise correlations between factors for CFA and SEM analyses obtained assessed discriminant validity are compared with the variance extracted estimates for the constructs making up each possible pair (Fornell & Larcker, 1981). Discriminant validity is confirmed if the diagonal elements are significantly higher than the off-diagonal values in the corresponding rows and columns (Hair et al., 2019). The result is shown in Table 3.

This paper appraises employee job-based PO as a concept with four constructs: meaning, competence, self-determination and impact. As presented in Table 4, the four dimensions reflect the higher-order construct for employee job-based PO.

**Hypothesis Testing**

The analysis for the hypotheses is performed using the bootstrapping method based on the partial least squares method (Wold, 1982).
The estimates in Table 5 reveal that TL dimensions, namely idealised influence, inspirational motivation, intellectual stimulation, and individualised consideration directly and significantly influence employee strategic renewal ($\beta=0.09, t=2.32, p<0.05; \beta=0.12, t=2.95, p<0.01; \beta=0.14, t=3.26, p<0.01; \beta=0.17, t=3.59, p<0.001$). Therefore, Hypothesis 1 is fully supported by the data. In full support of Hypothesis 2, TL constructs, namely idealised influence, inspirational motivation, intellectual stimulation, and individualised consideration are found to be positively and significantly related to employee new business ventures ($\beta=0.12, t=2.54, p<0.05; \beta=0.11, t=3.12, p<0.01; \beta=0.13, t=2.73, p<0.01; \beta=0.14, t=3.04, p<0.01$). TL constructs, namely idealised influence, intellectual stimulation, and individualised consideration are revealed to be related to employee job-based PO ($\beta=0.12, t=2.81, p<0.01; \beta=0.15, t=3.45, p<0.001; \beta=0.16, t=3.62, p<0.001$). Therefore, Hypothesis 3 is partially supported by the data. As expected, employee job-based PO had a positive and significant effect on employee strategic renewal ($=0.15, t=3.54, p<0.001$) and employee new business ventures ($\beta=0.14, t=3.91, p<0.001$). Thus, Hypothesis 4 and 5 are fully supported.

Table 6 shows that employee job-based PO mediates the relationship between TL constructs and international intrapreneurship, namely strategic renewal and new business venture. Therefore, Hypotheses 6 and 7 are partially supported by the data.

The estimated results of the reversed mediation model (dependent variable $\rightarrow$ mediators $\rightarrow$ independent variable) show the model fit as follows: \(\chi^2 = 1216.78\ (p \leq 0.001)\), standardised root mean square residual (SRMR) = 0.073. The

<table>
<thead>
<tr>
<th>Paths</th>
<th>Original Sample Mean</th>
<th>Sample Standard Deviation</th>
<th>T Statistics</th>
<th>P Values</th>
<th>Results</th>
</tr>
</thead>
<tbody>
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<td>Idealized influence $\rightarrow$ Strategic</td>
<td>0.088</td>
<td>0.09</td>
<td>0.038</td>
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<td>0.0214</td>
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<td></td>
</tr>
<tr>
<td>Intellectual stimulation $\rightarrow$</td>
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<td>0.135</td>
<td>0.042</td>
<td>3.2619</td>
<td>0.0013</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individualized consideration $\rightarrow$</td>
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<td>0.046</td>
<td>3.5870</td>
<td>0.0004</td>
</tr>
<tr>
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<tr>
<td>Idealized influence $\rightarrow$ New</td>
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<td>0.119</td>
<td>0.046</td>
<td>2.5435</td>
<td>0.0116</td>
</tr>
<tr>
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<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Inspirational motivation $\rightarrow$</td>
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<td>0.111</td>
<td>0.034</td>
<td>3.1176</td>
<td>0.0020</td>
</tr>
<tr>
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</tr>
<tr>
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<td>0.134</td>
<td>0.048</td>
<td>2.7292</td>
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</tr>
<tr>
<td>Individualized consideration $\rightarrow$</td>
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<td>0.139</td>
<td>0.045</td>
<td>3.0444</td>
<td>0.0026</td>
</tr>
<tr>
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<td></td>
<td></td>
</tr>
<tr>
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<td>0.116</td>
<td>0.042</td>
<td>2.8095</td>
<td>0.0054</td>
</tr>
<tr>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intellectual stimulation $\rightarrow$</td>
<td>0.152</td>
<td>0.148</td>
<td>0.044</td>
<td>3.4545</td>
<td>0.0006</td>
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<td></td>
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<tr>
<td>Inspirational motivation $\rightarrow$</td>
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<td>-0.068</td>
<td>0.04</td>
<td>-1.6750</td>
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<tr>
<td>Individualized consideration $\rightarrow$</td>
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</tr>
<tr>
<td>Employee job-based psychological ownership</td>
<td>0.145</td>
<td>0.149</td>
<td>0.041</td>
<td>3.5366</td>
<td>0.0005</td>
</tr>
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<td>$\rightarrow$ New business venture</td>
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</tr>
<tr>
<td>Employee job-based psychological ownership</td>
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<td>0.139</td>
<td>0.035</td>
<td>3.9143</td>
<td>0.0001</td>
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<tr>
<td>$\rightarrow$ New business venture</td>
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</tr>
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</table>

Table 5

Standardised direct effects
result reveals that the hypothesised model is the best representation of the data ($\chi^2 = 1191.16 \ (p \leq .001)$, SRMR = 0.061), which indicates that the proposed model is preferable to the reverse-path model in this study (Baron & Kenny, 1986).

**Discussion**

The interface between the intrapreneurship and FF domains has seen a steady increase in research, based on the notion that FFs’ characteristics have a distinctive effect on intrapreneurship antecedents, strategies, and outcomes. However, much remains unknown (Minola et al., 2021). This article provides empirical evidence that FFs can foster intrapreneurship through TL and the mediating role of job-based PO among nonfamily employees (Huynh, 2021). TL is critical for pursuing the family’s competitive advantage via international intrapreneurship. FF leaders with ownership power lay the groundwork for successfully implementing the strategic direction and TL, thus influencing international intrapreneurship. Entrepreneurship theory may contribute to international business theories through parallel developments in corporate entrepreneurship. Applying intrapreneurship theory to complement studies of internationalisation appears to be a promising international strategy, particularly when firms venture abroad to establish new organisational units and thus reflects organisational renewal (Onetti et al., 2012).

TL dimensions associated with idealised influence, inspirational motivation, intellectual stimulation, and individual consideration positively and significantly affect two international intrapreneurship activities: employee strategic renewal and new business venture (Dung & Giang, 2021). Through an innovative climate within the organisation, TL may stimulate employee creativity, innovation, adaptability, and proactivity (Khalili, 2016; Moriano et al., 2014). Visionary, inspirational, courageous, and adventurous are TL constructs that align with intrapreneur characteristics (Alam et al., 2020; Mahmoud et al., 2020; Marques et al., 2019; Woo, 2018). TL has the potential to reinforce intrapreneurship both directly and indirectly. Leaders directly influence innovative employee behaviour through their deliberate actions to stimulate idea generation and application and daily behaviour (Gerards et al.,

<table>
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<th>Paths</th>
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<th>T Statistics</th>
<th>P Values</th>
<th>Mediation effect type</th>
<th>Results</th>
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<td>Idealised influence</td>
<td>0.067</td>
<td>0.073</td>
<td>0.023</td>
<td>2.913</td>
<td>0.004</td>
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<tr>
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<td>-0.014</td>
<td>-0.011</td>
<td>0.012</td>
<td>-1.125</td>
<td>0.262</td>
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<td>0.056</td>
<td>0.058</td>
<td>0.020</td>
<td>3.348</td>
<td>0.001</td>
<td>Complementary (partial mediation)</td>
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<tr>
<td>Individualised consideration</td>
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<td>0.024</td>
<td>0.018</td>
<td>2.389</td>
<td>0.018</td>
<td>Complementary (partial mediation)</td>
</tr>
<tr>
<td>To employee strategic renewal via Employee job-based psychological ownership</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Idealised influence</td>
<td>0.043</td>
<td>0.046</td>
<td>0.021</td>
<td>2.048</td>
<td>0.000</td>
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</tr>
<tr>
<td>Inspirational motivation</td>
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<td>-0.012</td>
<td>0.020</td>
<td>-0.550</td>
<td>0.277</td>
<td>Direct-only (no mediation)</td>
</tr>
<tr>
<td>Intellectual stimulation</td>
<td>0.057</td>
<td>0.059</td>
<td>0.021</td>
<td>2.714</td>
<td>0.000</td>
<td>Complementary (partial mediation)</td>
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<td>Individualised consideration</td>
<td>0.022</td>
<td>0.025</td>
<td>0.011</td>
<td>2.000</td>
<td>0.012</td>
<td>Complementary (partial mediation)</td>
</tr>
<tr>
<td>To employee new business venture via employee job-based psychological ownership</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

**Table 6** Total standardised indirect effects of transformational leadership construct on international intrapreneurship with mediating effects of psychological ownership
Additionally, TL may employ mediating mechanisms to encourage intrapreneurship among employees, including entrepreneurial orientation, corporate social responsibility practices, organisational learning and innovation culture, job-based PO, organisational identification, and organisational support (Amankwaa et al., 2019; Chang et al., 2017; Dung and Giang, 2021; Lei et al., 2020; Sattayaraksa & Boon-itt, 2016). The overall effect of TL on employee intrapreneurship is consistent with the existing literature (Afsar & Umraní, 2019; Amankwaa et al., 2019; Giang & Dung, 2021; Huynh, 2021; Sanders & Shipton, 2012; Shafi et al., 2020). However, scholars’ assessments of the partial effects of TL dimensions vary (Boukamcha, 2019; Shafi et al., 2020). This article examines how various mechanisms of TL dimensions such as idealised influence, inspirational motivation, intellectual stimulation, and individualised consideration influence international intrapreneurship. The organisational context in which intrapreneurship is conducted may factor into these mixed results (Rosing et al., 2011). By fostering an innovation climate conducive to employee intrapreneurship, the firm type plays a critical role in promoting intrapreneurial employee behaviour (Basco et al., 2020; Camelo-Ordaz et al., 2012; Kuratko & Audretsch, 2013; Urbano et al., 2013).

In FFs, transformational leaders may use intellectual stimulation and personal concern to delegate authority to subordinates, while charismatic factors and ideological influences can foster unhealthy dependencies and leaders (Fries et al., 2021; Stanescu et al., 2020). Additionally, job-based PO negatively affects patriotism, undermining the organisation and employees’ creativity. Employees who have a defined role, access critical organisational information, and work in a collaborative environment report feeling more connected (Anning-Dorson, 2021). TL is associated with innovative behaviour only when high PO (Groelj et al., 2020; Huynh, 2021). Job-based PO is critical for developing subordinates’ commitment, loyalty, and involvement in the organisation (Francis & Alagas, 2020). Through job-based PO, TL can significantly impact the success of subordinates and organisations (Ali et al., 2020; Bantha & Nayak, 2020; Bose et al., 2020; Giang & Dung, 2021; Lei et al., 2020; Mansoor & Ali, 2020).

**MANAGERIAL IMPLICATIONS IN THE SOUTH EAST ASIAN CONTEXT**

Numerous studies on TL and responses to organisational change, such as international intrapreneurship, have been conducted in Eastern countries with collectivist cultures (e.g., Southeast Asia) and Western countries with individualist cultures (e.g., Europe and North America). Collectivism dominates people’s value orientations in Eastern countries (Hofstede, 1980); that is, people strive to maintain harmonious relationships, avoid or minimise interpersonal conflict (Chen & Miller, 2011), and make personal sacrifices when necessary. In such cultures, employees are more willing to obey TLs’ commands and accept TLs’ influence to maintain interpersonal harmony and avoid relational conflict. Thus, TL is more effective in Eastern countries at inspiring employees to embrace international intrapreneurship. Conversely, individualism dominates Western countries’ value orientations, which implies that employees in the Western context place a higher premium on their own needs and interests, in direct opposition to the collective interest orientation promot-
ed by transformational leaders (Hofstede, 1980). This discrepancy may jeopardise TLs’ effectiveness in leading international intrapreneurship. Employees in Eastern countries (e.g., Vietnam, China, Japan, and South Korea) are more receptive to cooperative behaviours than employees in Western countries (Taylor et al., 2007). FFs must develop and leverage technological advancements and core competencies through human capital development activities such as international intrapreneurship. FFs should reallocate resources to the link between TL dimensions of family board members and nonfamily employee international intrapreneurship through the mechanism of job-based PO.

THEORETICAL IMPLICATIONS

This study adds to the body of knowledge regarding how transformational leaders of family board members at FFs can foster international intrapreneurship by establishing comprehensive relationships between family and nonfamily members. When idealistic tendencies, high-quality leader-member exchanges, and a collaborative organisational structure are implemented, FFs can foster nonfamily employees’ engagement and loyalty (Bernhard & O’Driscol, 2011; Karra et al., 2006; Patel & Cooper, 2014; Pearson & Marler, 2010). Other research, emphasising justice imbalances, unique goals, and a lack of monetary and nonmonetary incentives, suggests that quality nonfamily candidates may be discouraged from joining the firm, resulting in a shrinking labour pool and a low-quality and demotivated workforce (Chrisman et al., 2014). Another body of research indicates that nonfamily members may struggle to adapt to the informal structures and distinctive cultures that frequently distinguish FFs (Mitchell et al., 2003). However, another stream focuses on how FFs can overcome these obstacles by utilising nonfamily members to improve firm performance (Miller et al., 2013; Sciascia & Mazzola, 2008). This study demonstrates that, despite the power structure, informal structure, and unique culture of FFs, nonfamily employees can still engage with the international intrapreneurship of FFs when motivated and connected through the mechanism of TL by family board members and PO (Tabor et al., 2018).

CONCLUSION

FFs in emerging and transition economies are increasingly exploring and exploiting opportunities in international markets. However, as the international business environment becomes more uncertain, FFs must adopt a lean strategic approach, ignoring the linear internationalisation process. This study adds to existing knowledge by situating international corporate entrepreneurship theory and FFs within the international business theory. The study investigates and demonstrates the direct influence of TL dimensions on the international intrapreneurship actions of non-family employees and the mediating role.

This study has several limitations. The first limitation is the sample bias introduced using a self-assessment questionnaire and cross-sectional data. This raises concerns about the generalizability of the findings due to the non-probability sampling techniques used. Thus, future research on international entrepreneurship could benefit from longitudinal research designs because internationalisation and entrepreneur-
ship are inextricably linked. Another limitation is related to the scope of the research model. This article contributed to international business theory by interpreting the export trading results of FFs using entrepreneurship theory. However, each stage of FFs’ international business requires a unique set of resources. As a result, it is necessary to incorporate theoretical perspectives from both domains to explain each FF internationalisation stage adequately.

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