

Received / Geliş
29.06.2019

Article History
Accepted / Kabul
19.08.2019

Available Online / Yayınlanma
19.08.2019

STRATEGIC INTRAPRENEURSHIP¹

STRATEJİK İÇ GİRİŞİMCİLİK

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Abstract

Strategic intrapreneurship stands out as an emerging concept especially in recent years since it plays a crucial role for both large and small and medium-sized enterprises. In this scope, the strategic intrapreneurship concept refers a vision-oriented, organization-wide reliance on intrapreneurial behavior that consciously and continuously revitalizes the corporate and shapes the scope of business activities through the identification and utilization of entrepreneurial opportunity. From this point of view, this study aims to review the recent conceptual framework of strategic intrapreneurship and the intrapreneurs' characteristics with regard to the significance and the meaning of creating a strategy for businesses' corporate existence and long-term survival. In this frame, it has been seen that the concepts of strategic intrapreneurship which has been conceptually and terminologically confused with entrepreneurship in several ways, has a positive impact on internal development within an existing organization since it is a process that systematizes set of activities that form strategic vision or include actualizing a corporate strategy.

Keywords: Strategic intrapreneurship, intrapreneur, corporate strategy, business development.

Özet

Stratejik iç girişimcilik kavramı, hem büyük hem de küçük ve orta ölçekli işletmeler açısından kritik bir rol oynadığından, özellikle son yıllarda dikkat çeken bir kavram olarak ön plana çıkmaktadır. Bu kapsamda, stratejik iç girişimcilik, vizyon odaklı girişimciliğe dayalı fırsatları tespit etmek ve bu fırsatlardan faydalanmak suretiyle bilinçli ve sürekli olarak kurumu canlandıran ve işletme faaliyetlerini şekillendiren, organizasyonun tamamında iç girişimsel davranış üzerine güveni temel alan bir kavramı ifade etmektedir. Buradan hareketle bu çalışma, işletmelerin kurumsal varlığı ve uzun dönemli hayatta kalması bağlamında strateji oluşturmalarının önem ve anlamı açısından stratejik iç girişimcilik kavramı ve iç girişimcilerin özelliklerini güncel-kavramsal çerçeveden ortaya koymayı amaçlamaktadır. Bu çerçevede, kavramsal ve terminolojik açıdan birçok yönden girişimcilik ile karıştırılan stratejik iç girişimcilik kavramının stratejik vizyonu şekillendiren veya kurumsal stratejinin hayata geçirilmesini içeren bir dizi faaliyeti sistemize eden bir süreç olarak mevcut işletmenin içsel gelişiminde olumlu yönde bir etkisinin olduğu görülmüştür.

Anahtar Kelimeler: Stratejik iç girişimcilik, iç girişimci, kurumsal strateji, işletmenin geliştirilmesi.

¹ Bu çalışmanın özeti, 25-27 Haziran 2019 tarihleri arasında Nevşehir Hacı Bektaş Veli Üniversitesi'nde gerçekleştirilmiş olan III. Uluslararası Eğitim Bilimleri ve Sosyal Bilimler Sempozyumu'nda sözlü bildiri olarak sunulmuştur.

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1. INTRODUCTION

Strategic intrapreneurship has been paid attention as a rising field of up-to-date studies for achieving organizational objectives and goals. In this sense, while the concept “entrepreneur” has been better-established in the late 1970s, the concept “intrapreneur” has been first coined by Pinchot & Pinchot (1978) in the related literature. Although the intrapreneurship which has been conceptually and terminologically confused with entrepreneurship in several ways, intrapreneurship, as a new trend, stands for corporate entrepreneurship within an existing organization, behavioral intentions, and behaviors of an organization that are correlated with departures from the customary. In this sense, strategic intrapreneurship refers to creation of new business ventures, other innovative activities, and orientations including the development of new products, services, technologies, administrative techniques, strategies and competitive postures (Antoncic & Hisrich, 2003: 9). Namely, the concept of strategic intrapreneurship refers to a vision-oriented, organization-wide reliance on intrapreneurial behavior that consciously and continuously revitalizes the corporate and shapes the scope of business activities via identifying and utilizing of entrepreneurial possibilities. From this point of view, strategic intrapreneurs (corporate entrepreneurs) are self-driven, with self-imposed timelines and performance benchmarks (Morris, Kuratko & Covin, 2010: 42).

On the other hand, Antoncic (2007: 311) states that intrapreneurship involves four main dimensions including new business venturing, innovativeness, organizational self-renewal, and proactiveness whereas Enslin (2010: 31) emphasizes an additional three dimensions that are risk-taking, autonomy, and competitive aggressiveness. From this point of view, this study has been carried out with the purpose of contributing the related literature and aimed to review the recent conceptual framework of strategic intrapreneurship and its dimensions, and the intrapreneurs’ characteristics, with regard to the significance and the meaning of creating a strategy for businesses’ organizational existence and long-term survival.

2. STRATEGIC INTRAPRENEURSHIP AS A NEW TREND

Taking into consideration that intrapreneurship is intimately correlated with entrepreneurship; it is useful to start with defining the concept of entrepreneurship (North, 2015: 11). In this sense, entrepreneurship stands for initiative, innovation, taking decisions, being responsible enough to undertake risks by a certain person that possesses a certain capital during the business activities (Cadaru & Badulescu, 2015: 658). Furthermore, entrepreneurship is much more paid attention in the literature than intrapreneurship, as shown in Table 1, which tracks the number of items involving the concept “intrapreneur” and “entrepreneur” from Google Scholar search realized in December, 2018. The table also indicates how much better-established the concept “entrepreneur” was in the literature in the late 1970s when the concept “intrapreneur” was first coined by Pinchot & Pinchot (1978). In this context, intrapreneurship is a rising field of research in up-to-date studies and corporate entrepreneurial employees, specifically their skills and competencies take on a new significance (Blanka, 2018: 2).

Table 1. Number of scientific researches chronologically including the concepts of “intrapreneur” and “entrepreneur” (Google Scholar search)

Year	Intrapreneur	Entrepreneur
1977	0	2190
1978	1	2260
1985	17	3580
1990	59	4820
1995	54	7160
2000	113	13100
2005	201	25600
2010	303	42900
2011	352	44100
2012	382	46700
2013	550	47700
2014	425	46800
2015	488	44100
2016	458	40800
2017	548	36700
2018	532	31600

Source: Created by the author.

From this point of view, intrapreneurship, as an emerging trend, refers to entrepreneurs within an organization, who are considered as tools for achieving strategic organizational goals and targets (Eze, Abdul, Nwaba & Adebayo, 2018: 39). In addition to that, intrapreneurship includes initiatives within the organizations to undertake new business activities (Bosma, Stam & Wennekers, 2010: 8). Similarly, as Cottam (1989: 524) states, intrapreneurship is an orderly way of looking at opportunity for innovation. Solving problems, developing new ideas, and managing projects that transcend tradition and organizational constraints are intrapreneurial activity whereas Ma, Liu & Karri (2016: 116) emphasizes that strategic intrapreneurship, or “internal corporate venturing”, requires that the venture creators possess the entrepreneurial drive and the ability to exploit the myriad opportunities as well as realize changes in an existing corporate framework.

Moreover, strategic intrapreneurship, which refers to entrepreneurship within existing organizations, is a vital component for a sustainable organizational and economic development since it is an ongoing process within an existing organization, whether it is large or small-sized, and leads both new business ventures and to other innovative activities and orientations in terms of developing new products and services, technologies, administrative techniques, strategies, and competitive conditions (Antoncic & Hisrich, 2001: 496-498). Therefore, identifying and fostering intrapreneurship within an organization is justified precisely hence, the intrapreneur develops brand-new products and comes up with ideas, which will ultimately improve the organizational performance (Ogidi, 2014: 19). In other words, the intrapreneur begins with a creative idea. This idea typically starts as a vision, which might be fairly loosely defined. Also, intrapreneurs can move rapidly to get tasks accomplished. Similarly, intrapreneurs seem goal-oriented; willing to do whatever it takes to achieve their objectives. In this sense, they combine the characteristics of a thinker, doer, planner and worker (Morris et al., 2010: 167). Namely, intrapreneurs consequently strive to implement their ideas and are committed to achieving success. Supporting this attitude within an organization's culture will increase the number of innovations being pursued and adopted, leading to new product and services releases in the established and new markets (www2.deloitte.com., Retrieved from: 09.05.2019).

Furthermore, Ma et al. (2016: 116) states that intrapreneurs are individuals, who involve in creating new ventures or innovative projects within established

organizations. Additionally, Willison (2006: 10) emphasizes that intrapreneurs tend to be highly motivated. They can work on their own with minimal supervision. They're highly creative, dedicated, dependable, willing to jump into situations to get the work done. They continually overcome challenges and look for new opportunities. Finally, they're the individuals who are always looking to better themselves by learning from others.

2.1. Comparison of Entrepreneurship and Intrapreneurship Strategically

Intrapreneurship is distinctly similar to entrepreneurship in terms of discovery, evaluation, and exploitation of opportunities. Furthermore, they have strong similarities regarding the initiation of new products, services, and businesses (Nguyen, 2013: 20). In spite of the fact that a strong similarity between these two concepts, some characteristics are specific to intrapreneurs to make them successful or even stronger. Another point is that intrapreneurs are at the core of every innovative organization since they operate within business confines, without the high testosterone of risk (Buekens, 2014: 581).

On the other hand, the concept of entrepreneur refers to an originative and dynamic person who develops products or services and sells them to the external market whereas the concept intrapreneur identifies the same originative and dynamic type of person; however, one who operates within a larger organization (Davies, 2003: 298). Namely, unlike the entrepreneur, the intrapreneur acts within an existing organization. In other words, the intrapreneur is the revolutionary within the organization, who struggles for change and renewal from the inside of the system. This may give rise to conflicts within the organization, so respect is the necessary key in order to channel these conflicts and transform them into positive aspects for the organization (Zenovia & Maier, 2011: 972). In addition to the similarities and differences stated above, Table 2 below shows the similarities such as innovation, creation of value and undertaking risk whereas differences including type of activity, encountered obstacles and sources of funding.

Table 2. *Entrepreneurship versus Intrapreneurship*

	Similarities		Differences
Innovation	<ul style="list-style-type: none"> •The entrepreneurs and the intrapreneurs are innovative individuals. •Innovation represents a brand-new product or service, a new technological process or an improved management method. 	Type of Activity	<ul style="list-style-type: none"> •The activity of intrapreneur includes a restoring trait. •The activity entrepreneur involves a originative trait.
Creation of Value	<ul style="list-style-type: none"> •Adding further value to the products and services is the fundamental objective for both of them. •Alteration must be truly new and must come up with a different proposal. 	Encountered Obstacles	<ul style="list-style-type: none"> •For the intrapreneur, the organizations' culture may be the crucial obstruction. •The entrepreneur has a powerful obstruction which is the market.
Undertaking Risk	<ul style="list-style-type: none"> •The intrapreneurial and entrepreneurial activities contain a higher degree of potential risks as in comparison to the usual risks. •The intrapreneur undertakes the risk of organization's capital and focuses on new products. •The entrepreneur undertakes the risks of his/her own money and time. 	Sources of Funding	<ul style="list-style-type: none"> •The intrapreneur benefits from the organization's resources. •The entrepreneur individually search for funding sources, at the risk of losing his/her own assets/fortune.

Source: Sasu 2003 (in Badulescu, 2013; Cadar & Badulescu, 2015).

3. DIMENSIONS OF STRATEGIC INTRAPRENEURSHIP

Antoncic (2007: 311) states that intrapreneurship involves four major dimensions including new business venturing, innovativeness, organizational self-renewal, and proactiveness. In addition to that, Enslin (2010: 31) emphasizes that strategic intrapreneurship has additional three dimensions that are risk-taking, autonomy, and competitive aggressiveness. In this frame, all mentioned dimensions have been stated in Figure 1 below.



Figure 1. Dimensions of Strategic Intrapreneurship

Source: Created by the author by adapting from the related literature.

From this point of view, it has been seen that the rapid social change from an information and knowledge society to a creative one has brought about various forms of ventures. The rapid changes and developments in business trends have paved the way for the expansion of the design industry and opened new windows of opportunity for the traditionally small and non-specialized design business (Kim, Kim & Jeon, 2018: 1-2). On the other hand, in the business-to-business (B2B) context, innovativeness and co-innovation are significant modern research domain where despite the fundamental advancements made, the resources and capabilities needed for developing and implementing innovation in supply chains are not yet completely understood (Yeniyurt, Wu, Kim & Cavusgil, 2019: 3). The organizations that have success and register the rapid growth are those that use, in their daily business activities, innovative solutions, and it is especially for this reason that a significant percentage of their income is generated by new or quality improved products and services. They have to put their effort to adapt to the changes in business life and environment so as to keep the acquired and detained positions (Ionescu & Dumitru, 2015: 99).

Intrapreneurship refers to an organizational-level effort to organize and operate an internally generated venture. An innovation, on the contrary, is usually more specific in that it represents the major departure or key improvement of a product or process. Thus, company-wide or departmental-level intrapreneurial efforts are often aimed at launching or implementing new innovations that arise from the research and development efforts of individual or teams (Baum, Frese & Baron, 2014: 237-238).

The other dimension, the strategy of self-renewal refers to the process of organizational information creation. In addition to that, it is the nature of the information that is correlated with other information in a chain-reaction manner. Moreover, information gives birth to information and self-organizes. This is the theory behind the organizational change. Thus, the objectives of organizational research are not the structure of an organization at a given point of time, but the dynamic self-renewing process (Yamanouchi & Nonaka, 1989: 305).

On the other hand, as De Jong & Wennekers (2008: 17) states, intrapreneurs' proactive behavior becomes a crucial component of organization-level success. In this context, proactiveness includes environmental scanning, opportunity identification methods, and organizations alertness to competition in the marketplace in every circumstance. In addition to that, it is operationalized with regard to knowledge of competitors, environmental scanning practices of the organization, and opportunity identification and utilization method (Alarape, 2013: 556-558).

Via innovation and assertive risk-taking, intrapreneurs have a strong responsibility in terms of transforming an idea into profitable products or services. In this sense, the intrapreneur reveals the opportunities for change, evaluates and exploits them, and commits to the exploration of a new method, completely different from previous practices, will succeed in achieving the goals of the organization (Augusto, 2012: 1719). From this point of view, the risk-taking dimension refers to an aspect of an organization's strategic posture that represents to the organization's desire and ability to devote increased resources to projects whose outcome is hard to foresee (Frank, Kessler & Fink, 2010: 180).

The other fundamental dimension that is autonomy contains members of organizations' tendency to independently come up with an idea, vision, and innovation within the existing organization. It includes associates' responsibilities with the area and scope of being independent. Top management appreciates employees' ideas and offers their consideration in decision-making process. In terms of improvement of intrapreneurship and innovation, restructuring organizational functions and refers that support self-determination and required managing steps should be considered (Gürsoy & Güven, 2016: 156).

Competitive aggressiveness, the last dimension, is when an organization challenges and competes with its rivals in order to be a noticeable and dominant organization among its rivals. The competitive aggressiveness set the amount of the organization's offensive attacks on rivals (Alipour, Idris & Karimi, 2011: 142-143). Therefore, organizations that are high in risk-taking, competitive aggressiveness, and proactiveness will more effectively pursue innovation through exploitation (Baum et al., 2014: 248).

5. CONCLUSION

As a result of this study which has been carried out with the purpose of contributing the related literature and aimed to identify the recent conceptual framework of strategic intrapreneurship and its dimensions, and the intrapreneurs' characteristics, with respect to the importance and the meaning of creating a strategy for businesses' organizational existence and long-term survival, it has been seen that the concepts of

strategic intrapreneurship which has been conceptually and terminologically confused with entrepreneurship in several ways, has a positive impact on internal development within an existing organization since it is a process that systematizes set of activities that form strategic vision or include actualizing a corporate strategy.

On the other hand, it has been identified that there have been similarities such as innovation, creation of value and undertaking risk whereas differences including the type of activity, encountered obstacles and sources of funding between intrapreneurship and entrepreneurship. The results of this study have also shown that strategic intrapreneurship has seven major dimensions including new business venturing, innovativeness, organizational self-renewal, proactiveness, risk-taking, autonomy, and competitive aggressiveness. From this point of view, organizations need to pay more attention to the concept of strategic intrapreneurship for achieving organizational objectives. In addition to that, it has been recommended for the future studies that researchers should prioritize the concept of intrapreneurship and accompanied by its advantages with the purpose of contributing to the literature and practices in the business life.

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