15.369 Corporate Entrepreneurship

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Career Reflections: your role

- **Internal Entrepreneur:**
  - Crucial to find a champion (someone who believes in you)
  - Define acceptable loss
  - Take small steps, Act-Learn-Build

- **Manager:**
  - Crucial to provide time and budget for the team
  - Lend your own reputation

- **Executive:**
  - Develop tolerance for failure
  - Separate CE from the core
  - Embrace difficulty of quantifying success
Career Reflections: Firm Strategy

- **Firm-level strategies:**
  - Open innovation strategies
  - Articulate innovation culture internally and externally
  - Small + Big = Speed and Scale
Traditional organizations focus either on **creativity** or **efficiency**

Entrepreneurial Drive, Freedom from the “old ways”

Successful innovation unites entrepreneurial insight with effective coordination

Control & Coordination
Reflecting real tradeoffs...

Entrepreneurial Drive, Freedom from the “old ways”

Startups

Control & Coordination

Bus as Usual
External Venturing Tools

Entrepreneurial Drive, Freedom from the "old ways"

- Innovation Networks
- Acquisition
- Strategic Alliance
- Corporate Venture Capital
- Educational Acquisition

Control & Coordination
Finally, since each organizational form provides value in different situations, leading entrepreneurial organizations maintain the capability to support a portfolio of innovative organizational choices!
Corporate Entrepreneurship is…

- …about going into “the unknown” or “away from the core”
- ..about avoiding unnecessary risks as an internal entrepreneur:
  - Act-Learn-Build Model
- …lending reputation and support as a manager
- …supporting failure and innovation culture as an executive
- ….mixing old and new and internal and external as a firm
Corporate Entrepreneurship is…

- … about choice under uncertainty
  - We can give you tools for analyzing choices
  - But there are no sure bets and no perfect performance metrics

- Planning and analysis are important
  - But you also have to allow great deal of experimentation

- Key role for the organization, and the entrepreneur or manager (you!) in nurturing it.
Thanks and good luck!
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