Intrapreneurship-"An Exigent Employement"

SHABANA AZAMI

ABSTRACT: - This study reports on the impact of some personality factors, work values and socio-cultural factors on intrapreneurial orientation. It also examines the aspects and characteristics of entrepreneurship and intrapreneurship. This paper provides a review of theoretical studies on the concepts of entrepreneurship and intrapreneurship, highlighting the similarities and differences between them. A great potential lies in applying business principles within existing organizations. In this study certain dimensions of the internal work environment, determining/moderating the development of an intrapreneurial culture. Antoncic and Hisrich (2003) describe eight intrapreneurship dimensions: (1)new ventures and new businesses; (2) product/service innovativeness innovativeness; (3) self-renewal; (4) proactiveness; (5)risk taking; (7) competitive aggressiveness. It explores the factors that determining a new business opportunities or by strating a new venture for an employer or independently.

Keywords: - Intrapreneurship, Difference between Intrapreneurhsip and Entrepereneurship, Intrapreneurship Dimensions, Nurturing Intrapreneurs Employee, Organisational Behaviour & innovation strategy in an organization and Innovation Components.

———————————◆———————————

Introduction

Today as the entrepreneurial ecosystem in the country is growing tremendously there are plenty of opportunities coming up for aspirants who are willing to start his / her own forms. Intrapreneurship is a revolutionary system of speeding up innovations within large companies by making better use of their entrepreneurial talent. Intrapreneurring is defined as the process in which innovative products or processes are developed by creating an entrepreneurial culture within an existing organisation. An Intrapreneur in an established company takes hands on responsibility for creating innovation of any kind within the organisation. The intrapreneur may be the creator or inventor but is always 'the dreamer who does and figures out how to turn an idea into a profitable business reality'. But experts suggest that one must do a self evaluation and consider all the pros and cons well before plunging into it and make sure look into the following aspects:

Passion: Must have the strong zeal to make his / her idea a reality and must be able to overcome all the challenges.

Self motivation: Must have personal determination and drive to seek all means to make their ideas a reality. Also must be ready to face failures and learn from mistakes. Ability to take risk: Must be ready to face any uncertainty in business and must be ready to take the responsibility.

Intrapreneurship Vs Entrepreneurship

Intrapreneurship shares many of the key aspects of traditional entrepreneurship. It also has some significant differences. Looking at the similarities first, both focus on innovation. The innovation may be in the form of new products or services, new processes, or new management methods. Both focus on creation of value added products or services.

———————————————————

- *SHABANA AZAMI (RESEARCH-SCHOLAR), MEWAR UNIVERSITY, CHITTORGARH (RAJASTHAN)*
- *E-MAIL-shabanaitsgzb @gmail.com*

Something new and different must be developed in order for the process to be entrepreneurial. Both require investment in activities that are more risky than normal. Individual entepreneurship risks the entrepreneur's time and capital. Intrapreneurship risks the capital of the parent companies and takes attention away from its existing products. Intrapreurship is also sometime termed as corporate entrepreneurship by some authors. The differences between entrepreneurship and intrapreneurship is perhaps more dramatic than the similarities. Intrapreneurship is often restorative whereas individual entrepreneurship is developmental. Restorative action is taken to counter stagnation within a large organisation that perhaps long ago became overly structured and hierarchical. Individual entrepreneurship, on the other hand, creates something out of nothing. It develops a product or process where none existed before. In the case of venture, even the entity itself is new. A second difference between individual entrepreneurship and intrapreneurship is the firm's antagonism. In case of individual entrepreneurial, the enemy is the market. The task for the entrepreneur is to overcome obstacles within the market in order to persevere and become a competitive force. But in the case of intrapreneurship, the corporate culture may be the primary foe. Depending upon the relationship, the company itself can stifle the very entrepreneurial processes it seeks to encourage. Thus, in addition to overcoming market obstacles, the corporate enterpreneur may also have to overcome organisational hurdles, blocks and mindsets. A third differences is that enterpreneur has the access to company's funds, manufacturing facilities, marketing network and other support facilities provided the venture opportunity warrantes it. The enterpreneur, on the other hand, has to use his personal wealth or scramble to obtain funding and support from various outside sources. A fourth difference is that intrapreneur does not have the ownership of the new venture created nor is the completely independent whereas an individual enterpreneur is completely independent and has complete ownership of the new venture established by him.

According to Gifford Pinchot, Intrapreneurship means:-
1. A set of business practices that liberates people with entrepreneurial personalities to innovate rapidly inside larger organizations for the benefit of that organization and its customers.
2. The actions of an individual and/or a team that is acting in an entrepreneurial manner to serve the

194

best interests of larger organization and its supply chain, with or without official support.

Intrapreneurship can have many meanings — you can't even successfully run spell check on the word. However, intrapreneurship can lead to amazing results in product and procedural development within a company or corporation. Intrapreneurship is meant to encourage employees in developing their own ideas, innovations, and techniques into solid plans of action that benefit the companies they work for. Corporations, partnerships, associations, and non-profit organizations are all able to benefit from intrapreneurship. Though it may be easier to launch a product or service when backed by a corporation, intrapreneurship is still a lot of work. In addition, there are no guarantees that you will be successful. Being tied to the corporate entity you work for can also create a fear of failing due to job security. Here are a few tips to guide you down the path of successful intrapreneurship. Intrapreneurship, which is also known as Corporate Entrepreneurship, has been used around the world by major public companies and private companies for several decades. Intrapreneurship has been used successfully in the United States, Europe, Asia and Africa. Intrapreneurship is based on the concept of using entrepreneurial skills within an established firm by encouraging innovation by employees. These employees can use start-up business techniques within a firm (large, medium, or small) to create new products or services from existing products or services, or create new synergistic products or services for the company. This is accomplished by allowing and Nurturing non traditional thinking and by encouraging and supporting the use of "out of the box thinking" within the firm.

Intrapreneurship Dimensions:

Antoncic and Hisrich (2003) describe eight intrapreneurship dimensions: (1)new ventures and new businesses; (2) product/service innovativeness innovativeness; (3) self-renewal; (4) proactiveness; (5)risk taking; (7) competitive aggressiveness.

New Ventures and New Businesses New business venturing is the most important dimension of intrapreneurship as it can results in the creation of a new business within an established organization by redefining the firm's products/services and/or by entering new markets (Antoncic and Hisrich; 2001: 498). The new ventures dimension refers to creation of new parts or firms, whereas the new business by the founded organization without forming new organizational entities (Antoncic and Hisrich; 2003: 16).

Product/Service and Process Innovativeness and Innovation Intrapreneurship includes new product improvement, and new manufacture methods and procedures (Antoncic and Hisrich; 2003: 16). New product and/or service improvement can be estimated a vital factor that differentiates successful from unsuccessful organizations (Auruskeviciene et al.; 2006:341). Schumpeter stressed the role of entrepreneur as an innovator. From a Schumpeterian view an entrepreneur carries out new combinations of resources to create products that didn't exist before (Hall and Sobel; 2006:4).

Innovation is an important dimension of intrapreneurship as a result the intrapreneurship is an entrepreneurial action in an existing organization. Extent of innovation refers to the measure of newness of a venture in the market. For the ventures that are totally new to the marketplace, and perhaps even create new markets, the firm in question is the pioneer and faces significantly better challenges as a result (Sharma and Chrisman; 1999: 14). Intrapreneurship is *"innovative products or processes are developed by creating an entrepreneurial culture within an already existing organization"* (Fry, 1993: 373; from: Hill; 2003: 19). So innovativeness is one of the main driving forces of the intrapreneurship.

Self-renewal dimension imitates the transformation of organizations through the renewal of basic ideas on which they are built. It has strategic and organizational change nuances and includes the redefinition of the business conception, reorganization, and the introduction of system-wide changes for innovation (Antoncic and Hisrich; 2001: 499).

Proactiveness dimension is concerned to pioneering and it is also associated with marker survival positively**.** Proactiveness indicates a company's determination to follow promising opportunities, rather than only responding to competitors' moves (Zahra and Garvis; 2000: 474). Proactiveness concept is: "…refers to the extent to which organizations attempt to lead rather than follow competitors in such key business areas as the introduction of new products or services, operating technologies, and administrative techniques." (Antoncic and Hisrich; 2003: 18).

Risk-taking with regard to investment decisions and strategic actions in face of uncertainty" (Covin and Slevin; 1991: 10). Intrapreneurs are risk takers who are willing to commit their time and energy to making a good idea an innovative reality in their organization. Through this process they add a large repertoire of skills and experiences that helps build a career (Manion; 2001: 10). It is necessary to develop an intrapreneurial environment for risk-taking. Risk-taking emerges as a regular factor in that employees and management must have a wishful to take a risk and have a tolerance for collapse should it arise (Kuratko et al.;1990:52). Intrapreneur is somebody who "A person within a large corporation who takes direct responsibility for turning an idea into a profitable finished product through assertive risktaking and innovation" (Toftoy and Chatterjee; 2004:2). Risk-taking is one of the important elements of intrapreneurship. So by encouraging risk taking and experimentation, a corporation has more chances of creating a successful product (Toftoy and Chatterjee; 2004:8).

Competitive Aggressiveness Competitive aggressiveness refers to the company's tendency to challenge its competitors. Competitive aggressiveness is an administrative tendency expressed in an organizational willingness to take on and dominate competitors. Entrepreneurial condition is fairly reflected in the firm's tendency to aggressively compete with industry rivals. (Antoncic and Hisrich; 2003:18). Competitive

aggressiveness marks the company's aggressive attack to competitors.

Intrapreneurship is Not About the ruffle

An intrapreneurship is in essence a startup within another company. You don't need secret code names and plush offices to be successful. What is important is assembling a team of qualified individuals that have the necessary qualities and skills to get the process rolling. When starting an intrapreneurship within your company, you should realize that the head honchos want to see results, and they want to see them quickly. Your team should be able and ready to move fast, communicate effectively, and provide those necessary results.

Nurturing Intrapreneurial Employees

It is important to nurture intrapreneurial employees. Intrapreneurs can provide a fantastic boost to your company's bottom line. Not only do innovations add to your revenue stream, they also increase motivation and empowerment among your intrapreneurial employees. Intrapreneurial employees are typically energetic and enthusiastic, imaginative and inventive. Most likely, they already have ideas for creating new products or services. Perhaps they're even working on developing their ideas in their off-work hours. So why not provide them the encouragement, resources and manpower? If you don't, they may move on to another company, or they may start their own and become one of your competitors — taking customers and business away from you! Intrapreneurial environments also promote expansion. You are only one person, trying to do a hundred different things all at once. When you look at the scope of your day, how much time and energy do you have left over to devote to creating new products and services that could help your company grow? The likely answer is, very little. As the old saying goes, two brains are better than one. So, wouldn't it make sense to utilize all of the brain power that you are already paying for? Yes, Nurturing intrapreneurial employees means taking chances, but these chances can pay off big. In fact, the Ford Mustang, IBM's personal computer and Kenner Toys' "Star Wars line" were all forged by intrapreneurs working for other people.

Creating triumphant Intrapreneurship Programs

Throughout the world there are some very exciting programs that intrapreneurs are participating in. This has a lot to do with today's forward thinking organizations actually providing time for intrapreneurship to the employees within their company. They know and understand the benefits that come from providing their employees with this time, allowing them to come up with new ideas for the organization. Of course, all of these programs vary widely in their scope, structure, and in what incentives they offer to the employee. In order for an intrapreneurship program to be successful, the intrapreneur is going to have to overcome the organization's formal structure, as well as any internal roadblocks. They must be able to deal with the slow moving bureaucracy that they will surely encounter along the way. The intrapreneur must be able to convince the middle and senior management within their organization

that there is indeed a strong and profitable market for their new idea or product. In addition, the idea must also be synergistic to the company's goals and mission.

Dreams that hearten Intrapreneurship:

Following are some dreams that hearten Intrapreneurship-

- Make sure people are not afraid to fail. This fear will kill any and all possible innovation.
- Create an in-house team to track the competition. You might even need several teams. You will want to focus on single products.
- Hire an independent consultant to track competition on a regular basis. He will be objective and to the point, not marred by corporate bias or fear of reprisal. After all, his goal is to push people not to become complacent.
- Continually ask people what products or services your company could be providing that would be helpful.
- Have people from different departments work with one another to come up with new products and ideas that are consistent with your business' purpose, values, and vision.
- Create regular customers based focus group in order to collect consumer opinion on products that are already on the market, as well as those that your business could provide.
- If your business has a website make sure that there is a suggestion box or comment form.
- Offer prizes to those who give the best feedback and ideas.
- Try to create at least one collaborative venture with another company.
- Ask your employees to openly discuss what they think your company does well and where improvements can be made. Have them talk about what changes they would make, then try to implement these changes as soon as possible.
- Form a list of objectives and performance standards that can be used for innovation. For example, have each of your managers come up with monthly ideas that will add value to your company.
- Create an in-house venture capital pool. Have people submit ideas and plans to it.
- Create an in-house "genius grant".
- Allow people to have some time to have fun. This is the type of environment where people will want to work and wherein they will be able to flourish. (i.e. Google)
- Create a class for your employees to help them learn more about creative thinking.

Innovation Strategy in Organisations

Innovation is a crucial process for the wellbeing of an organization. In the pursuit of it, organizations face strategic choices on the focus of resources. In this context, the basis on which an innovation would compete long-term can be selected from three generic strategies: cost leadership, differentiation and focus. Cost leadership, in which it aims to be the lowest cost supplier in the market. Differentiation,

196

in which a unique dimension is determined. Focus, in which the service is aimed at a particular buyer group or geographical area to the exclusion of others. Furthermore, in order to create new competitive advantages, top management needs to: create a sense of urgency; develop a customer focus at every level; provide employees with the skills they need to work effectively; allow the organization to absorb one challenge at a time; and establish clear milestones and review alternatives. There are four ways to achieve an effectiveinnovation strategy (Roffe, 1999: 227):

1. Focus on the critical success factors;
2. Build superiority by employing technology not currently exploited by rivals;
3. Pursue aggressive initiatives that challenge normal rules;
4. Use strategic degrees of freedom to focus on areas where competitors are not involved.

Creating Innovation: It is the issue of how new an innovation should be. Innovation is not just an outcome but a process. Managerial activities that together attempt to control the process of innovation. Four activities define innovation: (Drejer, 2002: 6, 7)

1. Technological Integration: This refers to the integration between technologies and the product market of the organization and emphasizes the importance of satisfying the customer with the innovations of any organization. In other words, technology development needs to be integrated with product development also at the strategic level.

2. The Process of Innovation: By this is meant the cross business process of activities that creative innovations across the departments of the organizations. Obviously no one department is responsible for innovation and it is, thus, necessary to see how departments together creative innovations

3. Strategic Technology Planning: This refers to the planning of technology and competence projects with the aim of maintaining a balanced portfolio of technologies and competencies.

4. Organizational Change: Innovation is closely related to organizational change. No matter how small or large the innovation, it will affect the organizations with needs for new knowledge, new markets, new employees and so on. Thus, it is difficult to speak innovation without considering organizational change.

5. Business Development: Innovation should be seen as a means for creating new and improved business for the company. Innovation can both drive and be driven by business development as the second very critical contextual element of innovation.

Identifying Innovation Components
Discussions with senior management highlighted the following as important components in fostering innovation within: Service innovation often leads to product innovation, quality improvement is often an identifier of a service

innovation. Product innovation can often fail, or be less successful, if it is not linked to the appropriate service innovation. Problem solving within a creative and supportive team environment is an acquired skill that can be improved and enhanced if correctly supported, not an existing skills set as often assumed. For creativity and innovation to grow rapidly the ability to work within teams is essential. However, this skill is often more readily developed in an environment where the problem/project provides quick results that are significant to the organization and the outcomes are achievable. These are characteristics more commonly identified with quality improvement issues rather than service or product innovations, which are often longer-term issues, the significance and outcomes of which are not always readily definable. (Gapp and Fisher, 2007: 341)

Innovation for Intrapreneurship
It has been conceptualized as the actions of individuals within organizations leading to innovation of product, services or processes. Failing to consider linkages between the phases of team development, service innovation and product innovation has prevented organizations from optimizing the benefits accruing from intrapreneurial activities. Innovation also involves the introduction of new products, services, systems or processes, or the adaptation of existing ones. Innovation requires allocation of resources, long-term planning in the future. This provides insight into what is related in terms of new products, procedures and services. In addition to faith in the future, innovation needs management committed to quality,productivity and effectiveness and the policies, programmes and procedures that make middle management and those they lead, skeptical of the efforts to create greater effectiveness and productivity. At the centre of this approach is the appropriate application of education within an environment that communicates and promotes innovative, thought-aligned actions. Success through a planned and structured approach to innovation can contribute to corporate growth and competitive advantage. A review of three approaches adopted by successful companies suggested that multi-disciplinary teams have an important role to play particularly in screening proposals and developing strategy. *"The innovation process operates as a continuous spiral at the team development, service innovation and product innovation phases. Achieving appropriate levels of knowledge and outcomes indicate the point of departure for the next phase of the process"* (Gapp and Fisher, 2007: 330,331)

Economic Improve Role of Innovation
The fast-changing economy and technology influence society, organizations, and managers according to Drucker. In his view the knowledge society will require all members to have basic computer or other skills as well as conventional literacy skills; political, social and historical knowledge as well as the skills of learning-to-learn. Big business, Drucker believes, will be information-based and in general comprise flatter organizations comprising knowledge specialists future's organization will have knowledge located primarily at the bottom of enterprise, in the minds of specialists who do different work and direct themselves. In such an information-based organization, traditional departments will serve several roles: as

197

guardians of standards, as centres for training and the assignment of specialists.

Conclusion

Being a successful intrapreneur requires a lot more than creativity. You need to be a risk-taker as you share and push your new ideas or products. You will need to be patient as you wait for your company's senior management team to approve and launch your initiatives. No matter what seems to be happening with your projects, you need to be willing to hang in there and ride out any adversity that comes and tries to take your hopes and dreams and crush them. There are many ways to break the barrier that stands between you and intrapreneurial success. However, there is only one point that certainly causes failure. That point is lack of action. If you are not willing to do what is required for the duration, you will not be able to successfully break into the intrapreneurial world. Intrapreneurship is a strategic response to the quest for competitive advantage & improved performance. Intrapreneurial organizations engage in new business venturing, are innovative, continuously renew themselves & are pro-active. Intrapreneurship requires the existence of environment & systems that encourage & stimulate employees to act & behave intrapreneurially; Chang (1998) contends that the relationship between entrepreneurial posture & firm performance is moderated by environmental conditions. Firms that nurture organizational structures & values conducive to intrapreneurial activities & have strong intrapreneurial orientations are likely to experience better performance. Intrapreneurship is closely related to firm performance, with firms experiencing high performance levels characterized by high intrapreneurial intensities. The outcomes of intrapreneurial efforts include new products, new processes, new technologies, new markets, learning, customer satisfaction, job satisfaction; all having a positive effect on firm growth and profitability. Firms regardless of size should pursue intrapreneurship as a competitive and performance improvement strategy. For intrapreneurship to thrive, firms need to put in place an environment with support systems, structures and resources that encourage employees to behave entrepreneurially. Various measures of growth and profitability should be considered as its in measuring intrapreneurial outcomes.

REFRENCES AND BIBLIOGRAPHY

A. References

[1]. Hall, J. C. and R.S. Sobel (July 2006), "Public Policy and Entrepreneurship", the University of Kansas, Technical Report 06-0717

[2]. Antoncic, B., "Intrapreneurship: a Comparative Structural Equation Modeling Study", *Industrial Management&Data Systems, 107(3),* 2007; http://www.emeraldinsight.com/Insight/ViewContentServlet?Filename=Published/EmeraldFullTextArticle/Articles/0291070301.html#b70%20b71: 08.03.2008

[3]. Janczak, S. and S. Boiteux (Mar 2007), "Understanding Intrapreneurship: a Process Model for the Logic of Action Used by Intrapreneurs ", *Journal of Business and Entrepreneurship,* http://findarticles.com/p/articles/mi_qa5424/is_200703/ai_n21286341: 08.03.2008

[4]. V S Rama Rao on July 5, 2009. www.citeman.com/author/v-s-rama-rao/

[5]. Admin on February 2, 2007. www.citeman.com/author/admin/

[6]. Toftoy, Charles and J. Chatterjee, "The Intrapreneurial Revolution: Now is the Time for Action"; 2004; http://www.sbaer.uca.edu/research/icsb/2005/192.pdf

[7]. Gifford Pinchot on January 10, 2010. www.pinchot.com/intrapreneuring/

[8]. Sima Kumari, 2012 edition by R. Gupta's. Entrepreneurship Development. *Management-UGC NET/SET*.

[9]. Overview of the History and Use of Intrapreneurship _ Intrapreneurship Institute.htm. http://www.IntrapreneurshipInstitute.com

[10]. The Intrapreneurship Alternative Innovating from Within.htm. http://workawesome.com

B. Bibliography

• Darnall, N., et al. (2008). "Do environmental management systems improve business performance in an international setting?" Journal of International Management 14(4): 364-376.

• Alvarez, S. & Busenitz, L. (2001). The entrepreneurship of resource-based theory. *Journal of Management*, 27(6), 755-775.

• Brazeal, D. V., and Herbert, T. T. (1999). The Genesis of Entrepreneurship. *Entrepreneurship Theory and Practice*, 24(1), 29-45.

• Christensen, Clayton M., Raynor, Michael E. (2003). *The Innovators Solution: Creating and Sustaining Successful Growth.* Boston: Harvard Business School Press

• Timmons, Jeffrey A. (1999). New Venture Creation: Entrepreneurship for the 21st Century. Boston: Irwin / McGraw Hill.

• Dess, G. G., Lumpkin, G. T., and McGee, J. E. (1999). Linking Corporate Entrepreneurship to Strategy, Structure, and Process: Suggested Research Directions. *Entrepreneurship Theory and Practice*, 24(1), 85-102.