

Corporate Entrepreneurship : Evidence from Companies of the Informational Technology Sector

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Corporate entrepreneurship has been used around the world by major companies for several decades. It can be effectively used to create a new product line or a new service, which can increase profits and hence increasing their long-term success. It 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 to create new products or services from existing products or services, or create new innovative products or services for the company. The present paper is an attempt to study Corporate entrepreneurial actions of select IT organizations adopted the case study method. Based on the findings further research questions are provided.

Introduction

Corporate Entrepreneurship can play an important role in transformation of organization. In recent time corporate entrepreneurship has received a valuable attention as an activity important for firms vitality (Dess, et al., 2003) that leads to organizational rejuvenation through the implementation of novel ideas of employees. It can be considered important for organisational survival, profitability, growth and renewal (Zahra, 1996). For a firm it is beneficial to use its internal and external sources in the pursuit of a competitive advantage by being effective and timely in the commercialisation of new technology (Zahra & Nielsen, 2002).

In IT industries corporate entrepreneurship takes places under the name of Technological corporate entrepreneurship. It is defined as the related activities, particularly in terms of technological innovation, that play an important role in developed economies and are also important for the performance and revitalisation of transition economies (for example, Bacova, 1987; Antoncic and Hisrich, 2000, 2001; Bojnec, 2001; Antoncic and Zorn, 2004; Lackenbauer, 2004; Ozcelik and Taymaz, 2004; Sporer, 2004; Bojnec and Novak, 2006; Ferto, 2007) since they can be considered a driving force of the process of restructuring and catching up (Gunther and Gebhardt, 2005; Berger and Diez, 2006).

Corporate Entrepreneurship: Concept and Definition

There is no universally acceptable definition of corporate entrepreneurship . A variety of terms are used for the entrepreneurial efforts within an existing organization such as corporate entrepreneurship (Burgelman, 1983; Zahra, 1993). corporate venturing (Biggadike. 1979). intreprenuring (Pinchot. 1985). internal corporate entrepreneurship (Jones & Butler, 1992). internal entrepreneurship (Schollhammer. 1982; Vesper. 1984). strategic renewal (Guth & Ginsberg. 1990) and venturing (Hornsby, Naffziger, Kuratko. & Montagno, 1993). A list of definitions used in the literature for these related terms is presented in Table