

TABLE OF CONTENT

<i>Title</i>	<i>Page</i>
Assignment 1	
1.0 Introduction	1
2.0 Usefulness	2
3.0 Challenges, Solution and Result	3
4.0 Conclusion	6
Assignment 2	
1.0 Introduction	7
2.0 Building a sustainable innovation organization	8
3.0 Results	11
4.0 Conclusion	12

Bibliography included on page 13.

Assignment 1

Question:

A number of corporation today are working to reengineer corporate thinking and encourage an intrapreneurial environment. What are the challenges and what steps would you recommend to achieve this? Explain the expected outcome for each.

Answer:

Introduction

Encouraging an intrapreneurial environment in reengineering corporate thinking is crucial and getting more noticed by corporation. Aware what good it can make and what bad it can eliminate, results the corporation to decide and desire on having this intrapreneurial environment in their organization. Intrapreneurial is an entrepreneurial activity that done and encouraged inside a corporation among its valued employees regardless on their position or power. This means, the employee's entrepreneurial skills establish and highlighted and being used for the benefit of the corporation as well as the employee him or herself. It benefits to both parties and that's why the management desires to have this intrapreneurial environment. According to Jon Sundbo, 1998, he defined that "intrapreneurship is the function of being creative, struggling, and resolute. But the role is institutionalized. Thus, the main motivation for intrapreneur is to keep and do his normal job. In addition to this, he can, in certain incidents, seek, and achieve, extra rewards such as in the form of carrier, power, or freedom."

Usefulness

Competitors are always a threat to any business. An entrepreneurial environment will help the corporation to face the rapid growth of competitors. On the other hand, corporations are being alerted and aware of problems in traditional management and do accept this new environment to cut down the problems. The traditional management is well known for their disadvantage of depending on paperwork a lot and the things or ideas move slow because of limited power and unnecessary hierarchy. Besides this environment help the firm to retain the bright and capable staffs in place from leaving the corporation due to their entrepreneurial characteristic and capability. Employees think less of going out and being entrepreneur if they are given chance to be an entrepreneur within the firm and they do receive benefits from it as well as the corporation.

At the same time, this environment will be far useful when a corporation is downsizing. This is because when your head count decrease, your revenue and profit should not decrease. The employees can perform and will perform better (according to theories) when they are in this environment as they are treated the right which they should be. Taking to conclusion of usefulness, this environment improves efficiency and productivity of the corporation.

Challenges, Solution and Result

The environment does promise a lot of benefit, but it also promises challenges to an existing corporation when they decide to encourage this intrapreneurial. This is because the existing corporation must absorb and change a lot to ensure this intrapreneurial environment is encouraged. This might be hard to implement immediately in a large corporation but there is no alternative option given, the change must take place for the intrapreneurial environment to start. All the challenges must be knocked out with solutions to see the final result of this intrapreneurial environment.

First of all the corporations are not strategy orientated. The corporation should have strong defined vision, mission, goal, and work direction. Without this, there is no direction for the firm and the firm will be growing without knowing what to do next and why to do it. It is like playing game without motive, at the end; the employees will realize that they played the whole game without defining any target and will find no reason to continue. As for solution, to cure this, the corporation must be strategy orientated. They must have high vision, strong mission, best goals, and well sketched work direction. The employees must first be aware of what they need to do, why they need to do, and when they need to do. The vision, mission, goal, and work direction will tell them the answer. By being this sort of strategy orientated corporation, the corporation is actually encouraging an intrapreneurial characteristic in their employees. This characteristic is called goal orientated. When employees of the corporation is goal orientated, they will work and focus in same path to achieve the target or goal in timely manner.

Second, corporations are not encouraging innovations, yet another big problem in traditional management. The management normally never welcomes any idea from ordinary employees and some time the ideas will be killed without even trying or considering them. Great new ideas and mind blowing creativity killed in the pass without mercy and the corporation must not continue this. This actually causing the corporation to lose profit or revenue indirectly as the corporation could have gained this figures in revenue or profits if the ideas was executed. Solution for this, the corporation must always will to listen and experiment the new ideas and innovations highlighted by the employees. The firm avoids innovative ideas as not willing to accept failure which might be caused by that new innovation. This is wrong. The corporation must tolerate failure. Failures of new ideas will give the employees a space to think how to overcome this failure and remake the idea to success. Innovation will come to best from continuous development if failure ideas. By tolerating failure, the corporation developed new intrapreneurial characteristic in their employees which is risk-taking. The employees will be relief from their scares and be risk taking to try new ideas.

Third, strict organization structure is a barrier to have intrapreneurial environment. This is because the employees given only limited power which related only to their work and task based on their position. Besides, their communication is limited and forced to follow the hierarchy. This will also slow down the communication in the corporation. At the same time, the employees are limited from being cross-communicating whereas they can only communicate within their department and to upper level. Not allowed to communicate to other department and second upper level. This limiting the employees'

voicing or opinion sharing. An intrapreneurial environment must have freedom in voicing and opinion sharing. To solve this, the corporation must down cut the hierarchy level as well as encourage direct communication with all upper level and allow cross communication across various department. Beside the management must also encourage informal communication and meetings to get feedback continuously. The employee must be given adequate power to conduct a task or job. This will result to more happening organization and employees are aware of what happening across the firm. The employee given enough power to complete his job and this gives more responsibility in decision making.

Fourth, no adequate time is given. Corporation does not give the employees enough time to execute a job but forcing them to do task in limited time. This is the classic theory to maximize productivity. This will only increase stress and unhappiness among the employees. In intrapreneurial environment, the employees must be given reasonable time to complete their task. This again will result to more responsibility in employee as they know that the right time is given to do the right job and they must do it right.

Fifth, employees lack of motivation. Old management only encourage employees to work. But intrapreneurial environment, the employees must be given motivations continues in any point such as promoting them, or congrats them, or thanking them for being a wonderful employee. This sort of small motivation and appreciations encourage the employees to continue serving and providing the best of them.

Sixth, share the wealth with employees. Old corporations does not do this because they are more considering of making the revenue high and growing the corporation bigger and thinks of serious expenditure. But the key of this success is the employees. In intrapreneurial environment, corporation must reward the employee for the success earned due to him or her.

Finally developing venture team is important step in an intreprenurial environment as the team will be small dedicated to focus on particular subject. This results to comprehensive finding, communication, and innovation lead to success based on the main purpose or task of the venture team.

Conclusion

A corporation is not one man show, but it is just a name representing all employees in the corporation. Therefore when the employees' intreprenurial characteristic was build, they do participation in the corporation's event more actively and contribute together. Thus the corporation is an overall result of employees' entrepreneurship. In another word, building the intreprenurial in the employees resulted to viewing the entrepreneurial on the corporation. Intreprenurial environment must be encouraged by any corporation as it will benefit widely the firm and employees at same time. Several challenges must be faced and overcome to ensure the corporation is really reengineered toward encouraging intrapreneurial environment. This will provide more competitive advantage for the corporation together increase efficiency and productivity.

Word count: 1,422 words

Assignment 2

Question:

Corporate entrepreneurship is a valuable instrument for rejuvenating and revitalizing existing companies. Explain how building a sustainable innovation organization can help in achieving this.

Answer:

Introduction

Corporate entrepreneurship is a valuable instrument for rejuvenating and revitalizing existing companies. Thus company management now days aware the usefulness of having this instrument to make their firm more proactive and keep the firm's life cycle looks young. According to Stopford and Baden-Fuller, 1994, the corporate entrepreneurship exist in 3 forms which are; (1) the creation of new business activities within existing organization; (2) the transformation or renewal of existing organization; and (3) the enterprise changing the rule of competition in its industry (cited by Julian, 2000). These three forms is the one rejuvenating and revitalizing the firm to keep doing new stuffs such as opening new business, changing the management methods or procedures, and renewing the organization. New stuffs or new idea is an output of innovation thinking and innovative activities. Therefore the firms tend to build a sustainable innovation organization which will keep them producing new ideas and conduct entrepreneurial activity in all or any of the three forms mentioned earlier. When new ideas keep coming, the innovation keeps moving and this causes the firm to keep

doing new things. These ensure that the firm does not grow older but it will grow younger. No product, service, idea, or management will be older because they keep revamping with new ideas and the old ideas dropped off, thus the life-cycle of the product or service will always be revamped or restarted.

Building a sustainable innovation organization

To build a sustainable innovation organization, the firm should start from its basic guideline which is the vision and mission of the firm. The vision and mission must be defined properly to move toward an innovation organization. The firm must state clearly their motive and work direction toward creating more innovative ideas. The strategy must be defined again for innovation.

Innovation culture must be born in the organization. To be innovative, the employees must be in an innovation environment. They can think and act more innovatively as long as the culture in the organization do encourages this. Basically, the management should always welcome new idea and willing to give it a try because counting as useless idea. There is no such thing as useless idea, with continuous innovative improvement; any idea can polish to be useful. An idea which cannot be used; shows and proves that the new illogical idea has born. The next step is to make the idea logical. Innovators do behave illogical and more toward experimenting each and everything that sounds not right. Therefore the management should provide full support to employees and accept their illogical thinking as an experimenting thinking and must encourage them to keep thinking further toward to continue experiment the idea and making it logic. The management

must know that failure of an idea means the idea is still in experimental process and required support and help should be provided.

Innovating an idea is the way of learning new things that is not in a book or anywhere. If the ideas already exist, then for sure there is nothing new about it and no way to name it innovative. The management should stop thinking of making profit from all ideas and should start thinking of making profit from being innovative. "Management's task is to generate the right climate that encourages experimentation, creativity, rule-breaking, and individualism" (Dr. Roland Xavier, 2008). At the same time, an experiment will come across many failures and the management should tolerate them and allow the trial and error activity to continue.

The innovation must be led by the top management by making their rules and conditions more flexible and innovators friendly to build the climate and encourage each and every employee. This does not exclude the top management from being innovators but it includes them in the bundle of being an innovation organization. They are the leaders for the rest of the innovators in the firm and leaders have heavier responsibility in an innovation organization. The leaders must be aware and learn fast from the organization to absorb any required changes. Good management leads very well and changes are implemented quite proactively.

Processes, practices and systems must support innovation. Processes, practices and systems are fundamental in an organization. They are the core engine of the whole organization

functions. Therefore the engine must be changed or modified accordingly to allow innovation functions. If a firm wanted to have innovation organization, they cannot make it by just encouraging the innovation, but they must include the space for innovation inside their processes, practices and systems as well. Encouraging innovation has no use if you did not have the space for your employees to innovate. The best example can be learned from 3M. 3M firms had allocated few hours of operation process everyday to allow the employees to innovate. This might sounds illogical for stopping the production process for few hours which loses revenue. But by losing small portion of the revenue, the firm had innovated more than 1000 new products which wasn't exist before and sounds silly. The example break-through product is the post-it-notes gained huge success. Although they lose few hours of production revenue, they still earned back huge from the success of their innovations.

Cross functional team is yet another thing that the firm should build. Cross functional team is a group of employees from several departments such as production, marketing, technology, and finance. When different experienced employees exist in same group, they do share among themselves and new ideas can be born. Whereas people from different department will think differently and might come out with a unique solution for problem that faced by another department. This unique solution is an innovative idea that was born due to their reasonable sharing of experience and knowledge.

Results

Successfully building an innovation organization can lead to several gains. Assuming that innovation will lead to new product, services and process, this will result in positive. First of all, by being innovative and producing new industry pioneer products, the firm is actually staying ahead of the competitors. Competitors are the main threat for any firm. Being innovative, will help the firm to produce new things and bid for higher market share and win it as well. Even if a competitor is stealing your existing customers and bite down your market share, innovation will help you to kick back and enter new market. Being innovative is not only developing previous to better stage but also bringing up new product that had never existed before. The example is the 3M's post-it-note which there is none until they launch it. It was far useful compare to classic notepad or notebook and customer had opted-in to buy it. This is a new market for them as no competitors exist for certain time since they launch. Rather than fighting for existing market, the firm can earn more strong in new market. This applies to business development innovation too whereas they enter wider and diversified market and earn better. The firm can keep developing the business and increase organization size and strength.

Increase in revenue, each new idea, product, service or process leads to increase the growth in revenue. The logic is simple whereas the more you innovate and made, more you sell, and the more you earn. Strong and stable revenue growth can support the management to invest and develop the business in long run.

Enhance profitability, same case reapplied whereas you sell more and you gain more profit. And the best part of earning more profit is; motive of the organization is being achieved. Each and every firm (exclude non-profit organization) was form to do business and gain profit out it. Successful business provides successful profit. The management can use this profit to reinvest on their research and development to create more proactive innovation organization. Besides, gaining the profit is not final step, the real final step is sharing back the profit with their innovative employees who had all worked together in force to achieve this profit. This will make the employees happy and will motivate them to innovate further and stay longer with the firm.

Conclusion

Corporate entrepreneurship is a great instrument that results back in positive. No wonder companies now days are excited of using this instrument for the best of their firm. And it does help the firm to continuously develop and grow younger. Innovation organization is yet another key component of this instrument. Building an innovation organization helps the firm to beat competitors, create new market, develop business, gain more revenue, and profit as well. This makes the firm possible to reinvest and keep refreshing their life-cycle and grow stronger with strength. Enables them to rejuvenate and revitalize the firm. This instrument is well used by successful large corporations such as Microsoft, Digi, Toyota, Motorola and others.

Word count: 1454 words

Bibliography

Jon Sundbo, 1998, The organisation of innovation in services, page 99, Forlaget Samfundslitteratur, 2nd edition.

Julian M. Birkinshaw, 2000, Entrepreneurship in the Global Firm, page 17, SAGE, 2nd edition.

Dr. Roland Xavier, 2008, Corporate Entrepreneurship Study Manual, Binary University College

3M Products from 3M corporate website. Retrieved on 16 October 2008, from <http://www.3m.com/product/index.html>

Post-it note article from Online Wikipedia, last updated: 12 October 2008. Retrieved on 16 October 2008, from http://en.wikipedia.org/wiki/Post-it_note

Cassidy, Robert; Derra, Skip; Katauskas, Ted; Studt, Tim, November 1990, FOLLOW-THROUGH 3M's Formula for Success, HighBeam Research.