

Entrepreneurship in Established Structures

Prof. Dr. Niclas Adler
CEO & Dean
Jönköping International Business School
Jönköping University

My Background.....

As Entrepreneur in the Science & Technology Field

Trading Platform (1997-1999), Instrumentation for Nanotech Companies (1997-), Positioning System (1998-2001), T-cell Manipulation (2004-), Column Therapy (2005-), Health-care services and higher education through mobile phones (2007-)

As Consultant to Science & Technology-based companies

Automotive (Volvo 1997-2003), Telecommunication (Telia(Sonera) 1994-2003, Ericsson 1994-, BT & Telefonica 2006-), Defence (EMW 1994-, Saab 2006-, FMV 2006-, ELBIT 2007-), Pharmaceuticals (Astra(Zeneca) 1998-2005, NovoNordisk, 2003-2005, Boeringer-Ingelheim 2003-, UCB Pharma 2006-, BP 2007-)

As Researcher and Academic Entrepreneur

Stockholm School of Economics (1994-2007), Chalmers University of Technology (1997-2003), Stockholm School of Entrepreneurship (1998-2002), Cambridge University (2001-2005), Ecoles des Mines de Paris (2002-) and Jönköping International Business School (2007-)

Main point for today's presentation

Despite the acknowledged value of entrepreneurship in established structures and many different types of initiatives

- there are very few examples of sustainable successes
- and there are some important reasons for that.....



Some observations

- private companies increase investments and efforts in R&D, business development and innovation activities.... but most often fail to meet expectations
- universities do extensive investments in science parks and commercialization activities.....with large variation in performance
- regulatory bodies and governmental initiatives on local, regional, national and international levels increase investments and efforts to support entrepreneurship and innovation and limit its unwanted bi-effects....with few sustainable effects
- municipalities, regions and nations increase investments and efforts in becoming attractive for private companies, capital and "talent"... many searching for entrepreneurs and new approaches to become competitive



Challenges for Entrepreneurship in Established Structures

1

Each organization is built on the assumption that complex problems are best handled through hierarchical break-down

... and on the assumption that efficiency (and effectiveness) best is achieved through functional specialization and minimized dependencies

Challenges for Entrepreneurship in Established Structures

2

Each organization is built for control and predictability rather than for experimentation

... where planning and minimized deviation from plans become more important than to search for or to capture emerging opportunities

Challenges for Entrepreneurship in Established Structures

3

Each organization is built on accumulated solutions to historic problems in their specific contexts

... and there are strong defense systems for these solutions that earlier have shown to work

Challenges for Entrepreneurship in Established Structures

4

Decision-makers in organizations normally overrate opportunities with doing **what** and **as** they have done before and risks with doing differently

....even if new opportunities often are identified somewhere in an organization, they will seldom get any resources or be captured

Challenges for Entrepreneurship in Established Structures

5

Distinct borders in organizations is the basis for responsibility, expectations, decision-making, resource allocation and evaluation...

...even if entrepreneurship, new ideas, innovations and breakthroughs most often happens in the boundaries and in the interaction

Challenges for Entrepreneurship in Established Structures

6

There are few incentives for challenging the
dominant approaches and established structures

... but quite many to preserve and protect them...

Necessary prerequisites to establish and sustain entrepreneurship in established structures?

It will take success cases... quite many of them

It will take systematic and convincing evaluation...with quite clear results

It will take a formal legitimacy for alternative models for managing entrepreneurial activities

...so that the entrepreneurial activities become less threatening for senior management and dependent on single enablers taking individual risks