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Study of intrapreneurship

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ABSTRACT

In this article, the nature of intrapreneurship, personal qualities of entrepreneur and motivational psychological aspect of entrepreneurship were studied. The principles of intrapreneurship are formulated. The differences in the organizational characteristics of internal ventures and existing production units are discussed. The similarities and differences between internal ventures and divisional-innovational structure are analyzed. The phases of intrapreneurship per G. Pinchot were also studied. Approaches and methods for creating intrapreneurship friendly environment in a company are suggested.

Keywords: entrepreneurship, intrapreneurship, principles of intrapreneurship, phases of intrapreneurship, intrapreneurship friendly environment.

INTRODUCTION

Entrepreneurship is the driving force of market economy discovering and carrying through new opportunities and creating added value. Entrepreneurs are needed not only for creating of new small enterprises, but also for the reviving of existing companies, especially the big ones. Big organizations produce many good ideas, but usually because of their bureaucratic style of management, company culture and hierarchic organizational structure, they are not able to implement them. In this situation, intrapreneurship comes to the rescue.

NATURE AND PRINCIPLES OF INTRAPRENEURSHIP

Entrepreneurship is the driving force of market economy. The term “entrepreneurship” was first introduced and defined by the Irish economist Richard Cantillon in the beginning of the 18th century [1]. He calls entrepreneurs individuals who expect (and gain) profit from buying good at certain price and expecting to sell them at higher price, which is not known at the time of purchase, i.e. for him the ability to take risk is fundamental for entrepreneurship. In the beginning of 19th century the French economist Jean-Baptiste Say summarizing the ideas of many philosopher and

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economists, created a more precise concept of entrepreneurship. Per Say “The entrepreneur shifts economic resources out of an area of lower and into an area of higher productivity and greater yield” [2]. He formulated the following specifications of entrepreneurship: connecting of factors of production, creativity, management decision making, ability of discovering needs, taking risks, derive profit. As per Say, the personal qualities of the entrepreneur should include ability to create new ways of production, ability to manage, to understand people and to take risks.

Joseph Schumpeter made a significant input in understanding the nature of entrepreneurship. As per him entrepreneur is a person who has the desire and ability to turn a new idea or invention into a successful innovation [3]. Entrepreneurship promotes “creative destruction” in markets and production creating simultaneously new products and new business models. Thus, the dynamics of production and long term economic growth depend on the “creative destruction”.

As per the distinguished member of the Austrian economic School Ludwig von Mises entrepreneurs discover discrepancies between prices of factors of production and future prices of their production and try to make profit out of these discrepancies. They can make profit only if they are more successful than other entrepreneurs in foreseeing future market settings.

Another view of entrepreneurship is that entrepreneurship is the process of discovering assessment and exploitation of opportunities continuing in materializing them in new business ventures.

As per Frank Knight [4] entrepreneurship is first of all associated with taking risk. The entrepreneur spends a lot of time, work and capital for one uncertain risky business initiative.

Very often entrepreneurship is associated with starting of a new small business, but as pointed out by Peter Drucker in his book “Innovation and entrepreneurship“ [5], no all new small businesses are entrepreneurship. Opening of a small shop or restaurant with traditional food and service though associated with some risk cannot be considered as entrepreneurship. They do not create new needs or new consumer demand. In addition, a company does not necessarily have to be small to be entrepreneurial. For example, the fast food chain McDonalds with locations all over the world is implementing successful entrepreneurship by busting efficiency, creating new products, a new type of mass consumption and new standards of service.

According to P. Drucker the existing business organizations are most capable of becoming leaders in entrepreneurship, moreover the ones that are big enough are preferable to smaller ones. They have enough resources, especially human resources. They have already achieved manager skills and built managing teams. They have the ability and responsibility for efficient entrepreneurial management. Many big companies such as Johnson & Johnson, Procter & Gamble, 3M, City bank in the US; Hoechst AG in Germany; Sony and Honda in Japan, etc.; showed good entrepreneurial abilities.

Entrepreneurship undoubtedly by definition is associated with innovation. Innovation is the specific tool of entrepreneurs, by its means they implement market activity distinguished from currently existing. Entrepreneurs always look for change, react to change and exploit change as opportunity. They look at the world in unconventional way, look for new opportunities, market breakthrough, they create new markets.

Entrepreneurs do not have to necessarily be creators or inventors. Their input is to pick up the new ideas or prototypes and turn them into market success i.e. they are fervent supporters of curtain ideas and have the energy, persistency, enthusiasm, and management skills needed to put it into practice to turn it into reality. The personal qualities and motivational psychological aspect of entrepreneurship are a subject of many studies [6 - 11]. Entrepreneurs have many of the personal qualities of leaders. Psychological profile of entrepreneurs includes the following characteristics:

- Striving for achievements, creativity, innovations;
- Striving for independence – they are unlikely to be in a subordinate position to anyone. The entrepreneurs want to be autonomous, he needs to control the situation and lead the others;
- Perspicacity, resourcefulness, creativeness, flexibility, inventiveness;
- Persistence, confidence, courage, stability;
- Optimism – they believe their ventures will succeed;
- Responsibility;
- Ability to take risks;
- Management skills and especially team building abilities;
- Sagacity, good analytical and practical thinking skills, ability to use both creative and analytical thinking;
- Reward oriented – a reward could mean not just material, but also being recognized, gaining respect, etc.;
- Expansion oriented;
- Goal oriented;
- Enthusiasm, ability to attract and inspire others;
- Ability to understand and guide people;
- Decision making skills;
- Profit oriented – they see profit as an indicator of their successes and achievments.

Entrepreneurs are needed not only for creating of new small enterprises, but for the reviving of existing companies, especially the big ones. Big organizations produce many good ideas, but usually because of their bureaucratic style of management, company culture and hierarchic organizational structure, they are not able to implement them. In this situation, intrapreneurship comes to the rescue. Intrapreneurs take the responsibility to successfully implement innovations in certain company. The term "intrapreneurship" was introduced in 1978 by Gifford and Elizabeth Pinchot [12] and became popular and widespread after Pinchot's book [13] has been published in 1985. The book summarizes their studies and practical experience of implementing the methods of intrapreneurship in Sweden. The term "intrapreneurship" means implementing entrepreneuring skills and approach from a person who works for a company, but does not own it. Intrapreneurship applies the 'start up' style of management (characterized by flexibility, innovation, and risk taking) to a secure and stable firm. The objective is to fast track product development (by circumventing the bureaucracy) to take advantage of a new opportunity or to assess feasibility of a new process or design.

John Naisbitt in his book "Reinventing the corporation" [14] views intrapreneurship as a way for the established companies to discover new markets and products. In 1989 Rosabeth Moss Kanter in her book [15] says that developing of intrapreneurship is a key factor for company's survival. In 1992, the term "intrapreneur" defined as "a person within a large corporation who takes direct responsibility for turning an idea into a profitable finished product through assertive risk taking and innovation" was included in The American Heritage Dictionary [16].

Intrapreneurs fill the gap between inventors and managers. They pick up new ideas and turn them into a profitable reality. They have the vision and the courage to put them into effect. They need to act and do not wait for permission to start. They go beyond their job description, set goals enthusiastically, but realistically and share responsibility with their team. The successful intrapreneurs learn to overcome their mistakes and manage risk. Intrapreneurs have all the above listed characteristics of the entrepreneurs. G. Pinchot stated that contrary to the popular belief (1) intrapreneurs and all entrepreneurs in general are not motivated by the desire to get rich, but by the strive to see their ideas put into practice; (2) they are trying to minimize risk to accomplish their goals; (3) they combine intuition with strong analytical skills; (4) they are honest with themselves and others; (5) they don't need to be

pushed. As per him intrapreneurs need to [17]:
1. Take moderate calculated risk;
2. Be economical; be flexible and ready for change;
3. Creatively choose the way;
4. Build teams of enthusiastic volunteers;
5. Build network of sponsors;
6. Ask for advice before asking for resources.

The importance of intrapreneurship is evidenced by the following fact: the company Texas Instruments examined around 50 of their own failed new products and found that each failed product with no exceptions didn't have a spontaneous and loyal supporter. What was missing, was an intrapreneur. This analysis made Texas Instruments change their set of criteria for decision making regarding new products introduction. First and most important criterion became presence of a fervent volunteer and analyzing market, economic and technical factors came after that. The slogan of the venture capitalists: "A first class entrepreneur with a second class idea is better than a second class entrepreneur with a first class idea" is not without good reasoning behind it.

Internal venture is a separate unit in the company, headed by the intrapreneur which goal is the prompt implementation of innovations.

In our opinion the main principles of intrapreneurship are:
1. Total freedom of the intrapreneur in choosing the methods of work and recruiting team members;
2. Voluntary participation in the new venture team;
3. Building of a multifunctional team including experts from technological, marketing production and financial, etc. departments of the company;
4. Autonomy of the intrapreneurship team, not interfering in their work; evaluating of their actions only by the final results;
5. Financial, technical, organizational informational, etc. support for the internal venture by the company;
6. Tolerating risk and temporary failure;
7. No pressure for fast profits;
8. Not changing of the intrapreneur- The intrapreneur's creativity and emotional investment in the project can be tremendously helpful in further developing the process or product for future use. Moreover, they usually possess the most knowledge and understanding of the various issues under consideration;
9. Not changing the members of the team;
10. Fast and informal ways to get access to the resources for implementing new ideas;
11. Freedom for the team members to do their work in their own way and without always asking for permission;
12. Binding of the compensation and carrier advance of the team members to their accomplishments.

The internal ventures are different from the existing operational/production units, producing standard mass production in a number of ways (Table 1).

The internal venture's organizational characteristics are similar to divisional-innovational structure. The latter represents the differentiation of the scientific, technical and production-economic activity in the development of new perspective directions (as a rule related to the traditional sphere of activity) in independent units, which do not even deal with the production of already introduced and established production. However, the difference between them is that the senior management decision created the divisional-innovation structure. Vice-versa the personal initiative of the intrapreneur created the internal venture which is financed by non-traditional sources. These sources include not only corporate funds for R&D funding, but special risk funds, unit's own funds, other unit's funds, corporation's employee's funds or personal funds of the intrapreneur. In 3M corporation besides the corporate R&D fund there is funding center giving grants for financing projects which do not look very attractive or do not find much support. Also, a part of 3M unit managers' compensation depends on how much financial support they have

Table 1. Differences between the organizational characteristics of the internal ventures and existing production units.

	Organizational Characteristics	Internal Venture	Existing Production Unit
1.	Goals	Global	Specific
2.	Criteria for assessment of the activity	Innovation and taking risk	Current profits
3.	Specification of activities	Broad	Detailed
4.	Technology of implementing	Changing	Established, stable, not changing
5.	Chance for planning	Low	High
6.	Time extent of planning	Long term	Short term
7.	Specification of planning	Low	High
8.	Level of control over unit	Low	High
9.	Extent of control	Large	Small
10.	Frequency of activity analysis	Rare	Often
11.	Frequency of compensation	Rare	Often
12.	Type of compensation	Recognition, material compensation	Material

been giving to coworkers from other units for innovative risk projects. For attracting additional funding from the employees many companies allow intrapreneur to emit their own phantom stock distributed internally in the company.

PHASES OF DEVELOPMENT OF INTERNAL VENTURE

G. Pinchot pointed out the following four phases of developing of an internal venture: 1) phase of independence; 2) network phase; 3) phase of illegality; 4) phase of creating of an official team [13].

Phase of independence

In the beginning the intrapreneur usually develops his vision by himself. His success depends in many ways on the idea he's chosen. The idea must be important not just for him, but for the market and for the company. In the beginning of the process, when the entrepreneur collects ideas, he should not limit his attention on a single idea. It is much better if he works simultaneously on 5-10 ideas until one of them takes over him, his thoughts and projects. In the process of looking for ideas, he could be using different resources:

- his own market research;
- possible new uses of the existing company's technology;
- possibilities for developing new products or improvements of already existing products - so called "satellite products" – which are not of interest to external entrepreneurs, because their development could be done only in close relationship with the company, it's technology, equipment, production experience, human resources, etc.;
- R&D research – most projects generate hun-

dreds of small satellite projects. The management of the company sometimes does not pay attention to them, but for the intrapreneur they could be productive field for his work;

• idea exchange, communication with people from different departments and area of expertise, conversations with the clients;

• visiting trade shows, reading specialized literature, knowledge of competition's products, etc.

Good intrapreneurship idea must meet three types of needs:

• the best intrapreneurship ideas meet vital customer's needs that are not met by existing products;

• the needs of the company - the expected profits and idea's compatibility with the company's strategy. The intrapreneur must make a rough estimate of the expected profits the new idea would bring and compare them to the industry standards and the level of effectiveness reached by the company. The idea must be compatible with the company's field of activity, with her image, culture, technology, equipment and production experience. One of the methods of testing whether the intrapreneurship idea is adequate to company's needs is attracting a sponsor from the high management. All other thing being equal, preference should be given to ideas who would potentially attract sponsors;

• the needs of the intrapreneur – the idea should correspond to the area of expertise and experience of the intrapreneur, to his personal qualities, values, to his way of life, etc. The intrapreneur must choose an activity compatible with his inner drives and dreams and in the same time his daily work related tasks should be rewarding and fulfilling.

Among these three types of needs the intrapreneurship idea has to meet, the compatibility with the intrapreneur's needs is the easiest to determine. That's why in the process of assessing ideas the first ones to be eliminated are those which are incompatible with the experience, expertise and the area of interests of the intrapreneur. Than the adequacy to the needs of the customers and the company is assessed.

In case the intrapreneur's idea is rejected he could react in three different ways:

1. giving up on the idea and searching for another one;

2. refining the idea and its presentation and trying again;

3. searching for someone else to present them the idea.

Network phase

After their basic idea is clarified, most of the intrapreneurs begin to share it with their close friends in the company or with clients they trust. From their reactions, they receive additional information about their concept's straights and weaknesses. At this phase, the intrapreneurs don't include other people in their work. They are just testing their reactions and looking for unofficial support. They can easily attract other people to input their expertise and skills in the future work on the idea, as they would be flattered to be selected as experts. At the end of networking phase some people are so interested in the idea, they start working on the project before an official team is formed, i.e. an unofficial team is formed.

Illegality phase

The intrapreneur is not alone anymore, he works with people, testing them and thinking about including them in the official team. After he's attracted supporters and followers, the intrapreneur takes the responsibility to manage the internal venture. His idea and his leadership skills are being put to the test without any support from the company. The micro-culture of the internal venture is being formed. People start to learn how to behave in the new team. The unofficial team usually works outside of company's buildings before and after companies working hours. For example, when Lee Iacocca started working on creating a new make of automobile for Ford – the fuel efficient sporty Mustang – the team he formed had their meetings in a motel to avoid any in interference from the company. If the initial work is being done by the company there is a big risk the idea is going to be sabotaged. When the intrapreneur is holding unofficial meetings outside of company's buildings he must be very aware he cannot waste his team member's time. He should know exactly what he wants to accomplish, to have agenda and follow it.

In the beginning, it is not a very good idea to reveal the idea to many people. The less people know about the project, the less people could attack it. Innovation triggers the corporative "immune system". When the work progresses and the intrapreneur straightens up his positions, he would attract more supporters then opponents. The best way to maintain confidentiality of the new internal venture is to give it a status of a corporate secret. For example, in Lockheed Company, the teams working on pursuit planes F-104 and spy planes U-2 and SR-71, achieved independency thanks to the fact most of the people who could oppose didn't know the secret codes.

Phase of forming of an official team

Once the intrapreneur has an idea and wants to form a team, he might need a relatively short operational plan as a successful tool to recruit people. The best way is to keep this plan short or at least flexible so the rest of the team members do not feel isolated from the planning process. The intrapreneur prepares upfront a summary of the operational plan (3 to 20 pages) and the whole team discusses it to make corrections or perfect it. The plan itself is less important than the thoughts and discussions it provokes. The plan may get outdated and it might need modification, but it helps to clarify the views on the problems and the possible decisions. Additionally, during the discussions some irreconcilable differences between the members of the team could appear. They might grow deeper and have more consequences if discovered on a later stage. That's why the intrapreneur should find team members who share the same vision. The discussions should result in shared vision as a foundation of an operational plan created by all team members. As a rule, two versions of an operational plan are developed – one official, but not totally correct and one detailed just for intrapreneurship team members' use. The "official" plan is used as grounds for requesting of funding for the project from the upper management, as well as a tool to control project's fulfilment. As the management is not used to innovation and they are going to expect from the intrapreneur to stick exactly to the plan, it is best to keep the plan short-spoken and not too specific, just enough to get upper management's approval as innovation is accompanied by lots of mistakes and surprises.

The operational plan should include the following parts:

- Resume for the general management – description of the proposal with mentioning of most weighty reasons for the probable success;
- What is the essence of the innovation and its advantages, time needed for development, at what stage is the research, why is it difficult to imitate;
- Why is it compatible with the company – with its existing markets, strategies, production capacity, technology, human resources, etc.;
- Marketing plan and sharing – market's size, trends and segmentation; pricing policy, competition, service, advertising, product movement to the market and trading strategy;
- Planning of the activities, premises, equipment, needed work force, general expenses;
- Description of favorable opportunities and threats and risk evaluation;
- Description of the monthly goals;
- Financial documents containing evaluation of needed funding, expected volume of sales, cash revenue, analysis of the profitability;
- Management problems – intrapreneurship team, it's structure and compensation.

One of the most common mistakes made by intrapreneurs is the unproportioned time distribution between the different aspects of the project, giving preference to the area of their own expertise and totally ignoring those they are not experts at. For example, technical specialists in the role of intrapreneurs, often spend 80% of their time on organizing scientific research and production activity and ignore marketing. Most often this leads to failure. Development of operational plan is done simultaneously with the forming of the team. In the process of plan's development, it becomes clear what kind of experts the new internal venture needs. Choosing the team members, the intrapreneur must pick people whose competence completes his and other members. The existing practice of initial "undercover" development of the new projects gives excellent opportunities for forming of a team.

Sometimes, taken up with enthusiasm, the intrapreneur is tempted to give too big promises in the process of recruiting people. He must try to avoid this danger and not to forget that besides sharing the recognition with the team after the project is successfully finished, he is going to share lots of work (without recognition), extra hours, difficulties, failures and disappointments. The intrapreneur also should persuade the management to compensate the team member in commeasurable proportion with their performance, so that he might make this promise to his team members.

The new venture team is functionally complete entity, acts autonomously and its members stay together from the beginning of the operation till the commercialization and sometimes even after that. Sometimes in the team are included people outside the company if company's employees are very busy. In companies where the rate of growth is lower, generally, inside people are used even if there are more suitable people outside the company.

While choosing the area where to implement the new project several factors should be considered. It is preferable to use the company's buildings in case if:

- Access to company technology equipment and staff is needed;
- People need to distribute their time between their regular functions and the work on the new "undercover" project;
- The project can be kept secret.

Working far from company's buildings is preferable if:

- The project need to be kept highly confidential which is not possible if working in the campus;
- It is necessary to provide greater autonomy of the teams. If working outside of the company is necessary, abandoned storage buildings or basements, etc. could be used.

Initially the intrapreneur should start with lower risk projects to gain the trust of the management of the company.

G. Pinchot makes the following recommendations to the intrapreneur [18]:

1. Do any job needed to make your project work, regardless of your job description;
2. Follow your intuition about the people you choose, and work only with the best;
3. Come to work which day willing to be fired;
4. Find people to help you;
5. Work underground as long as you can – publicity triggers the corporative immune system;
6. Remember, it is easier to ask for forgiveness then for permission;
7. Never bet on a race unless you are running on it;
8. Circumvent any orders aimed at stopping your dream;
9. Be true your goals, but be realistic about the ways to achieve them;
10. Honor your sponsors.

CREATING INTRAPRENEURSHIP FRIENDLY ENVIRONMENT IN THE COMPANY

Intrapreneurship requires extended support network opposing hierarchic bureaucratic system of management of the big corporation, creating of entrepreneur climate in the whole organization, supportive attitude from the management.

The following approaches and mechanisms could be used to encourage intrapreneurship:

- Creating of *systems for compensation encouraging risk taking and tolerating mistakes and failure.* In the most innovative companies the intrapreneurs are compensated with rights similar to ownership within the ventures they create; their compensation and carrier position is bound with their performance; Combining of material and moral stimulation;
- Creation of *strong communication systems within the company* so that intrapreneurs who have new ideas for products or processes can be heard;
- Presence of *Senior executive mentor/protector* - Support from ownership and top management should not simply consist of passive approval of innovative ways of thinking. Ideally, it should also take the form of active support, such as can be seen in mentoring relationships;
- Providing *autonomy of the internal venture* and looking on it as a source of profit. In some companies, internal ventures have their own bank account;
- Providing *freedom to direct corporate resources for implementing new ideas*. The most innovative companies' systems are designed in a way allowing information and resource "leakage", letting intrapreneurs work "undercover" on their new projects. For example, Hewlett Packard gives free access to the buildings where materials for product development are being stored. In some companies, "intracapital" (a permanent budget) being granted to the intrapreneurs; 30% of large companies now provide seed funds that finance in-house entrepreneurial efforts;
- Providing *freedom of action for corporate employees* – for example, 3M company lets their engineers and constructors use 15% of their time for work on innovative projects on their own initiative; Google is also known to be intrapreneur friendly, allowing their employees to spend up to 20 % of their time to pursue projects of their choice;
- Providing *opportunity for carrier path for the intrapreneurs* allowing them to continue starting new ventures without financial sanctions for lost profits or unsuccessful projects;
- Granting *official status to the venture* in the company;
- Creating of *competition between several intrapreneurship teams* in the company;
- Encouraging employees to progress in their carrier through *training programs*;
- Creating and maintaining of *system of agreement contracts* between internal ventures;
- Creating of *a system for dispute settlement* between internal ventures and between ventures and the staff.

Many companies, such as 3M, Hewlett Packard, General Electric, Texas Instruments, IBM, etc. put effort in stimulating of the intrapreneurship. For example, 3M organizational culture encourages young intrapreneurs to pick up an idea and make it bear fruit. If they succeed, they can head their own business under 3M direction. The main organizational intrapreneurship unit in 3M is the "New venture team"; there are several hundreds of them in the company. These teams are very specific: unlimited including of people with different areas of expertise, working fulltime, on volunteering basis, with permanent staff. Usually the team includes specialists from the technological, production, marketing and sometimes financial and accounting departments, regardless weather they are needed from the very beginning or not. The company knows that in a way this creates duplicating, especially in the initial stages, when just 1/3 of the production specialists are needed, but it is willing to pay the cost for duplicating to win the loyalty of the team members. Another strong stimulus for building loyalty is the fact that all team members are volunteers. The team leader as a rule is the author of the idea and its supporter. The company finances the work on the innovation with team leader's and some of the team members' shareholding. The intrapreneur who has decided to implement a new idea initially addresses his manager with a request for financing. If he refuses, he can request financing from the manager of another unit. If he is refused again, he could request the highest instance – the Department for new risk projects. Unit managers in 3M are encouraged to give financial support for new risk projects by receiving percentage from the revenues from projects financed outside of the regular nomenclature. New risk project team has certain freedom in making decisions, allowing promptness, flexibility and efficiency in decision making, liberating from the heavy bureaucratic procedures. The team's staff remains permanent from the very beginning of the development activity up to the final introduction of the product. The main principle is support even in case of failure of the project – in such case all the team members are returning to the positions they were on before project's start. In the process of overcoming obstacle after obstacle while working on the project all the team members are promoted at the same time. Carrier position and compensation level of the new risk project team members are automatically changed proportionately to the new product sales growth. If a team member starts his career as a top engineer, when the volume of product sales reaches 5 million dollars, he might become a product line manager. If the volume of sales reaches 20 million dollars, the product line becomes separate division, the intrapreneur becomes division leader and the lead technical specialists become technical director.

Innovation and intrapreneurship in 3M are being stimulated by the company culture; attacks toward innovators are not tolerated, their success is always celebrated; the successful venture team is being recognized and honored. This policy supporting intrapreneurship gives very good results: their product list has more than 50 000 products on it and each year the company introduces to the market 100 completely new products [19].

Another example of the application of the intrapreneuring's approach is the presented in [20] the intrapreneur-led three-phase model of innovation. It is based on understanding the relationships between service delivery and product development, as well as on the application of intrapreneurial-focused teams in the healthcare and manufacturing industries.

The style of intrapreneurship that is encouraged needs to be compatible with business operations and the organization's overall culture of the corporation.

CONCLUSIONS

Intrapreneurship is a source of flexibility and viability for the big companies. It gives the opportunity to combine the advantages of big and small business in the process of innovation: the financial resources, facilities, qualified staff, market access and other advantages of the big company and creativeness, agility, flexibility and efficiency of the internal venture. That is why it must be stimulated with purposeful measures. To encourage intrapreneurship the company must provide freedom to intrapreneur and the venture team; autonomy of the team, not interfering with its work and measuring success by the end results; provide financial, material, technical, organizational, informational, etc. support from the company to the venture; create of strong communication systems within the company; tolerating risk and failure; no pressure for fat results; providing carrier path for intrapreneurs carrier development; giving of an official status to the venture inside the company; creating of competing venture teams inside the company; encouraging of the staff members to develop by training programs; creating and maintaining of system of agreement contracts between internal ventures; creating and maintaining of a system for dispute settlement between the internal ventures and between ventures and staff members.

Intrapreneurship improves the performance and profitability of the company, changes and renews the existing organizational system and culture.

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