

The background of the slide is a photograph of a fire performer at night. The performer, wearing a dark jacket, is seen from the back, holding two flaming torches in their hands. A large, intense fire is being breathed out from their mouth, creating a massive plume of fire and smoke that fills the upper half of the frame. The scene is dimly lit, with the primary light source being the fire itself, and some blurred lights from the background suggesting an outdoor night setting.

BRING ON

THE INTRAPRENEURS:

The Facilitators of Innovation

THE FACILITATORS OF INNOVATION

The performance is about to start. It's taken about 40 minutes to attract and engage a crowd that is willing to pay a couple of dollars each. Various members have sung, danced, and performed acrobatics, teasing passers-by, gently flattering young couples, and creating balloon animals for fascinated children.

It's hard work, but Central Park on a sunny afternoon is a competitive marketplace. Entertainers abound, and the street circus has to create a different and compelling offer... and work hard to sell it.

Watching the street circus find and entertain an audience made me reflect on what it takes to create a business—to take an idea, turn it into something you can sell, and actually sell it. It's the essence of business and as relevant to the mature corporation as it is to the street entertainer. A mature business has to come up with new ways of servicing its customers and finding new customers.

Intrapreneurship is the means by which large, mature corporates can develop and harness the commercial energy that will grow the business in a constantly changing and fiercely competitive environment.

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THE CURSE OF THE MIDDLE-AGED BUSINESS: THE SAGGY BOTTOM LINE

Your business is large, established, profitable, but mature. It's getting old, a bit saggy in places. It no longer exhibits the vitality and agility of youthful growth. Frankly, it feels a bit tired. The results may be acceptable, but they are unexciting, and the established product and service lines have long lost the youthful sheen that brought the company to where it is now. The employees are not complacent, but there is a creeping "velvet ditch" mentality.

Processes have grown, as processes do, to self-justify. Growth is flat in many areas, and declining in some. The market landscape is moving under your feet. Leaner, hungrier, more agile competition with new ideas, technology and commercial energy threaten to undermine your market position... perhaps, in time, fatally.

? So what can you and your senior leadership team do about it?

? How can the business be refreshed, or even rejuvenated?

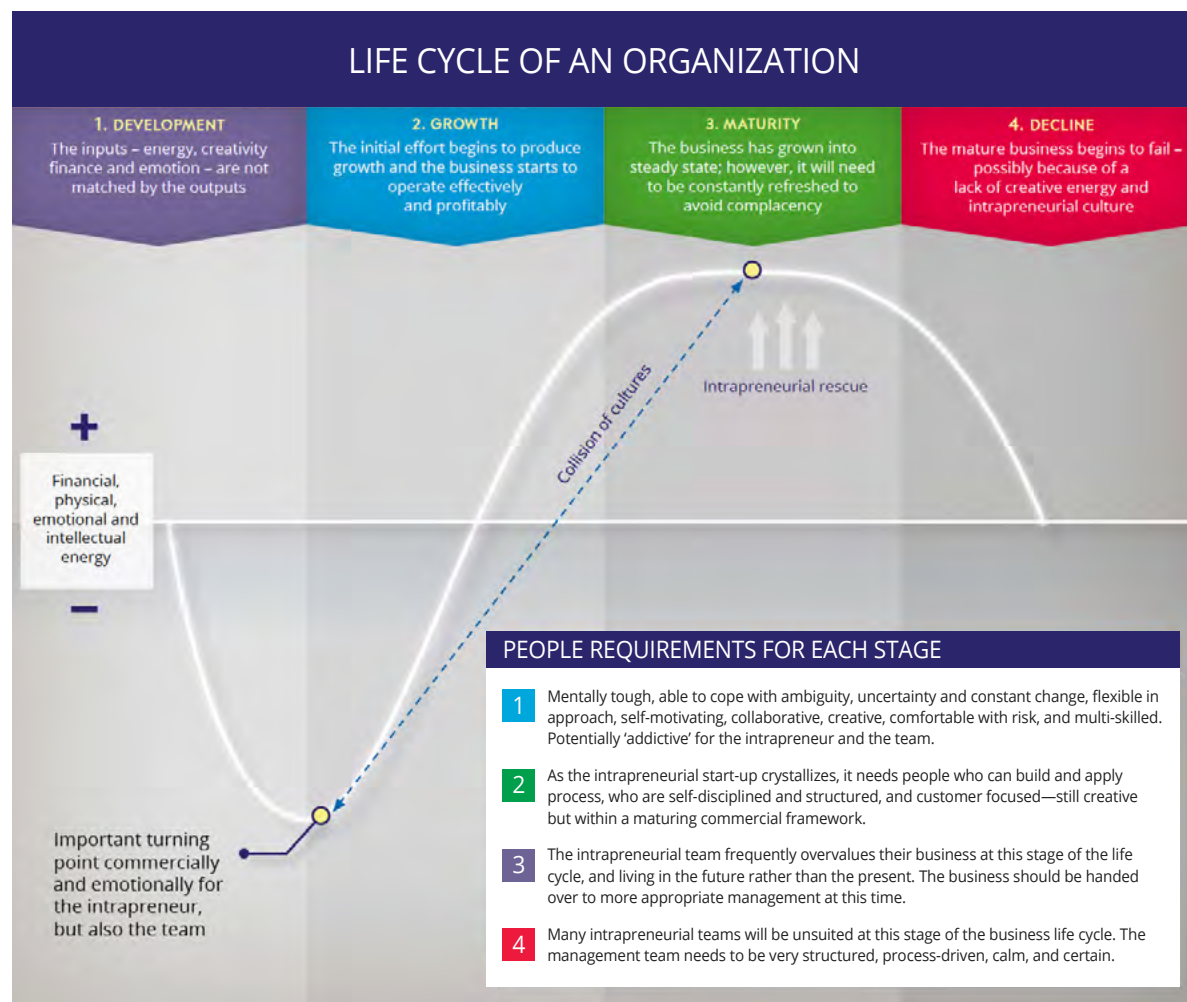
"We need our people to be more entrepreneurial"

is often the cry that goes out from the top.

? But do you? Do you really want a mature business to be taken over by an army of born-again entrepreneurial employees?

? Or do you need to activate the intrapreneurial spirit that may well lie dormant in your own business?

Bring to mind those employees who have grown weary of having their ideas ignored, or are so "corporatized" that the vitality they promised has been smothered out of them by process and practice.



ENTREPRENEURS AND INTRAPRENEURS—WHAT IS THE DIFFERENCE?

What is the difference between entrepreneurs and intrapreneurs, and what are the challenges of creating an intrapreneurial culture for any mature business?

- Intrapreneurs are people within a large corporation who take direct responsibility for turning an idea into a profitable new business unit through assertive risk-taking and innovation.
- Intrapreneurs are trusted within the business. They are what George Akerloff calls insiders, people who get it, who are intellectually, professionally, and emotionally engaged with the project. For us, this is the importance of a professional identity—a clear sense of personal and collective responsibility for the project. Intrapreneurs are not outlaws... they are pioneers.
- Intrapreneurs, like entrepreneurs, have to be temperamentally optimistic. Let's not kid ourselves: we are talking about effectively creating and running a start-up within a larger business, and such optimism is essential. It's what keeps the intrapreneur going when things aren't going as planned. And in a start-up, things never quite go as planned. How could you lead or participate effectively in a start-up without a high degree of well managed optimism? How can intrapreneurs inspire their team, create "extra mile" commitment, influence the wider corporate landscape, and create consistent and constant engagement of key stakeholders without optimism? Their optimism cannot be reckless; it must be managed. But it must never lose the ability to sparkle with passion and the self-belief to shine brightly, representing that commercial sparkle that may be missing elsewhere in the mature corporate environment.
- While managed optimism is critical, intrapreneurs have to be financially literate, pragmatic, and commercially agile. Unlike entrepreneurs, intrapreneurs have to work within the confines of the large corporation landscape. Processes and gatekeepers need to be respected... most of the time!

- Intrapreneurs have to be skilful communicators and bring people into the same frame of thinking—a form of realistic radicalism. The sensitivities of the large corporate processes have to be navigated and influenced with care. A crash-bang-wallop approach will usually be met with systemic resistance. Even while intrapreneurs may have full and articulated senior leadership advocacy, the systems and processes may still show resistance to this non-conformist upstart start-up.

INTRAPRENEURS SHOULD ALSO SHARE SOME VERY PARTICULAR CHARACTERISTICS

- At ease with commercial intimacy within their team: they need to know their team and be open, honest and authentic at all times.
- Constantly scanning ahead for changes, next steps or necessary adaptations to the plan: they and their team are usually adept change agents.
- Continuously creative, but prepared to chew and challenge ideas before implementation: their efforts are often known as 'greenhousing.'
- Driven more by a restless desire to create something lasting and commercially worthwhile than financial reward, and often without a personal agenda: they can be high-risk employees and very challenging to manage.
- Highly adaptive: they make necessary shifts from a planned strategic direction in order to react or respond to changing market influences, which may seem scary and hazardous to mature organizations.

HOW WILL INTRAPRENEURS FIT IN WITH THE REST OF THE BUSINESS?

From the other side, the intrapreneurial business unit may cause resentment if it is seen to be a favoured, elitist start-up that is allowed to cause internal disruption by bending and breaking long established rules. Therefore, the senior leadership team needs to:

- Be very clear about the desired end state of the intrapreneurial start-up business.
- Support and encourage intrapreneurs to use and leverage the resources, assets and experience of the corporate body.
- Give measured freedom to create and innovate—the intrapreneurial team needs to feel able to question and even break the existing mold.
- Create an environment for constant and transparent communication between the intrapreneurial team and the rest of the business and the leadership team. The underlying objective has to be aggressive, cross-business collaboration to reduce the risk of intrapreneurial failure, which may heavily affect the morale of the wider business.
- Be prepared to be commercially courageous—the life cycle of the intrapreneurial start-up will not follow an orderly business school development curve. There will be commercial disappointment and missed targets. The critical thing is to keep intrapreneurs and the surrounding team energized, motivated and focussed on achieving the desired end state—don't give up or give in too early!
- BUT against the supportive environment, the senior leadership team has to remain commercially critical and commercially pragmatic. There may come a day to call time, and that call will probably need to come from outside the start-up team.



GAINING THE COMPETITIVE EDGE



At Kaplan Leadership and Professional Development, my team and I don't just pontificate about developing intrapreneurs and intrapreneurial cultures; we live it and breathe it every day. We believe that the skills, tools, and know-how to enhance and support the intrapreneurial decision-making process, both inside the start-up and in the wider mature corporate environment, should be refined and baked into any development programmes in order to encourage a competitive edge and sustain commercial success.

And now, if you'll excuse me, I am going to sit back and enjoy the show—the ever-optimistic flying acrobats, a particularly good Italian lion tamer, and, of course, the courageous fire eater.

KEY QUESTIONS THAT NEED TO BE ANSWERED BY ALL CEOs AND SENIOR LEADERSHIP TEAMS

- ? Are you absolutely sure you understand what intrapreneurship means?
- ? Does your business need an injection of intrapreneurial energy?
- ? How can you find intrapreneurs inside and outside your company?
- ? How can your organization nurture intrapreneurs and intrapreneurial teams?
- ? How can you prepare and develop your business for the creative disruption of the intrapreneurial project?