



Intrapreneurship: Entrepreneurial Ventures in a Corporate Setting

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1. About the Course

This course addresses the emerging practice of *Intrapreneurship*, broadly defined as the application of entrepreneurial capabilities to the development of new ventures within an existing firm. In this course, we will:

1. Examine Intrapreneurship from the perspective of corporate strategy
2. Relate Intrapreneurship to other functions such as Corporate Venturing, New Product Development (NPD), Research & Development (R&D) and Corporate Labs
3. Examine Entrepreneurship for clues to the successful practice of Intrapreneurship
4. Explore actual Intrapreneurial ventures with practicing executives
5. Develop an "Intrapreneurial Toolset"

There are no textbooks required for this course, though excerpts from Peter Drucker's *Innovation & Entrepreneurship* and Gifford Pinchot & Ron Pellman's *Intrapreneuring in Action* will provide context. All other readings will be included in the Course Pack.

The Guest Speaker Philosophy

Guest speakers—intrapreneurs, executives, corporate venture managers—constitute a core component of our approach. The class will work together to relate our guest speakers' contributions to the course frameworks.

2. Evaluation



Students will be evaluated on the following basis:

Group Projects (Intrapreneurship Case)	60%
One Case Write-up (Individual)	30%
Class Contribution	10%

Class Contribution incorporates team participation, which will be determined by both self-evaluation and team member evaluation. The Instructor will determine in-class participation by the quality of a student's contribution to discussion. Each student will also evaluate his or her own participation, reporting via email.

3. Final Group Projects: The CEO Pitch

Each group will prepare a "CEO pitch" presentation for the final class meeting. Each team selects a firm, any firm (should be one with which at least one team member is quite familiar). Envision and design an intrapreneurial venture appropriate for that firm. Imagine you have 20 minutes to present your concept *and* plan to the CEO of your selected firm to convince him or her to move forward with the project. You can have two general options for your CEO Pitch:

1. Select a firm and create a **hypothetical intrapreneurial venture** to develop and promote
2. Find an **actual venture** within a firm to develop and promote. Professor Wolcott will provide access to real projects and managers where requested and possible.

Your presentation will have to present a compelling argument for the project you propose, as well as articulate what resources you will require (financial, human, technological, etc.), where within the firm you believe the venture should be housed, reporting arrangements, etc.

The teams will have very broad latitude in selecting their projects. The interests of the students will be the primary driver of project selection. Teams will build their ventures based on the theoretical frameworks presented in class. During the final class meeting, teams will present their projects as well as work together to synthesize all of the case projects into insights gained as a result of the venture design process.

Presentations should not exceed **20 minutes including questions**, and are to be prepared using PowerPoint. Detailed Speaker's Notes for each slide should accompany the presentation. No final Word document is required as long as the Speaker's Notes are sufficiently detailed. More details will be provided during the first class meeting, including evaluation guidelines.



4. Course Schedule & Content

Class	Date	Content
1a	April 1	<p><u>How Corporations Innovate... and How They Don't:</u> Toward new solutions to Sustainable Innovation at the Global Corporation</p> <p>The introductory lecture presents the notion of strategic innovation. In Schumpeterian terms, Innovation is presented as the only driver of new value creation over the long-term. This lecture addresses the simplistic stereotype that large firms aren't particularly innovative, and small, entrepreneurial firms are. Reality is much more complex. We introduce the fundamental frameworks used throughout the course:</p> <ol style="list-style-type: none"> 1. Innovation Orientation & Governance (Sawhney & Wolcott) From where do innovative opportunities arise, and how are the related processes managed? This varies across firms. 2. The Innovation Radar (Sawhney & Wolcott) What are all of the components necessary to create an intrapreneurial venture representing a complete business system? 3. The Intrapreneurship Challenge (Nudd & Wolcott) What are the factors Intrapreneurs must address in order to succeed? How can senior management enable—or inhibit—intrapreneurial success? <p>Required Readings: SAWHNEY & WOLCOTT (2004); WILLIAM BAUMOL (2003); Excerpts from PETER DRUCKER (1984)</p>
1b	April 1	<p>GUEST EXPERT: Nelson Levy, MD. Ph.D. CEO & Founder, CoreTechs (Levy's holding company) Former President, Fujisawa Pharmaceuticals Former VP, R&D, Abbott Labs Dr. Levy's firm, Core Techs, is a technology firm holding company. One of Levy's current ventures, 100% owned by CoreTechs, recently passed the \$100 million revenue mark discovering novel compounds for pharmaceutical drug discovery.</p>
2a	April 4	<p><u>Intrapreneurship & Firm Strategy:</u> From Whence and to Where, the Internal Venture?</p>



		<p>From where do firms source internal venture opportunities? Then, where do they go? During this class, we will trace the sources and trajectories of intrapreneurial ventures. We will consider intrapreneurship in context of other solutions to innovating, including Corporate Venturing, NPD, R&D and Corporate Labs.</p> <p>We will explore innovation strategy and the role of Internal Ventures in firms from Motorola, Microsoft and Accenture to Cargill, P&G and FedEx, among others.</p> <p>Required Readings: ESTES* (2004); HANSEN & NOHRIA (2004); GREINER (1998); TUSHMAN & O'REILLY (1996)</p>
2b	April 4	<p>GUEST EXPERT: The Strategic Role of Intrapreneurship Speaker TBA. I am targeting a few of my associates and KIN members who lead the Intrapreneurial program at the senior level. The focus will be on CEO and Board-level strategic challenges regarding building new ventures, particularly internally.</p>



3a	April 11	<p><u>When You Get the Call:</u> The Critical, Daunting, Inspiring Role of the Individual Intrapreneur</p> <p>The course frameworks provide structure to successfully managing an intrapreneurial venture (The Intrapreneurship Challenge) and development of the business system (Innovation Radar).</p> <p>Required Readings: Nudd & Wolcott (2005); Sull (2004); excerpts from Pinchot & Pellman (1999)</p> <p>CASE STUDY: <u>Herman Miller Case (HBSP)</u></p> <p>Pending his schedule, KIN Member Gary Van Spronsen, former EVP of Herman Miller and a participant in the case, will present his experience and what he learned in the process. Van Spronsen led the successful development of the company's new business unit, Simple, Quick, Affordable (SQA), which was eventually rolled back into the core business. In 2004, Van Spronsen founded and currently leads a Michigan-based venture firm.</p>
3b	April 11	<p>EXPERT PANEL: Intrapreneurs Confess! (or, building the internal venture) Our executive members of the Kellogg Innovation Network who have led, or are currently leading, new business ventures within their firms, explore the challenges and opportunities presented by leading a new business concept within an established firm. Participants TBA.</p>



4a	April 18	<p>A New Venture, Not Just a New Product! Business System Innovation and Intrapreneurship</p> <p>Too often, innovation focuses on new products, partly as a result of a lack of vision, but also because the firm's existing business system naturally restricts which opportunities actually make it to market.</p> <p>GUEST EXPERT: Robert A. Cooper KIN Senior Fellow Former Program Director for Growth Initiatives DuPont Corporation</p> <p>In this course meeting, Bob Cooper, KIN Senior Fellow and former DuPont executive, presents his <i>Market-Driven Growth</i> (MDG) Methodology developed and refined over years of application within DuPont, Alcoa and a number of other global firms.</p> <p>MDG presents a complete methodology for helping existing businesses envision, plan and execute new business concepts.</p> <p>Required Readings: SAWHNEY & WOLCOTT (2005); MACMILLAN & MCGRATH (1997)</p>
4b	April 18	<p>CASE STUDY: <u>The DuPont Tyvex Case: From Idea to \$100 million in 18 months</u></p> <p>Bob Cooper worked with DuPont's Safety and Protection Business Platform (\$5 billion unit) senior team to envision, define and execute the development of Tyvex, a high-growth, high-margin offering to the construction industry. Tyvex illustrates how Cooper's MDG methodology helped move DuPont from thinking about products to creating <i>solutions</i>— and create profitable new businesses in the process.</p>
5a + 5b	April 25	<p>TEAM PRESENTATIONS & TAKEAWAYS</p> <p>All project teams will present their CEO Pitches. The final hour of class, we will work together to generate a series of takeaways and open questions which will help inform Professor Wolcott's 18-month study of Intrapreneurship Theory & Practice.</p>