

# Corporate Entrepreneurship: Accelerating Creativity and Innovation in Organizations

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## Abstract

Developing organizational environments that cultivate employees' interest in creativity and commitment to innovation is critical to successful competition in today's global economy. The existence of a corporate entrepreneurship (CE) strategy implies that a firm's strategic intent is to leverage creative and entrepreneurial opportunities for growth- and advantage-seeking purposes. CE has gained greater research attention with a focus on the factors that influence an organization's willingness to initiate and sustain a CE strategy through entrepreneurial and creative behaviors. This chapter examines the concept of CE, the organizational antecedents conducive to CE, and the managerial roles needed at all levels of management, thus presenting a more complete understanding of the concepts behind a CE strategy. The chapter concludes with the future challenges for CE facing all organizations.

**Key Words:** corporate entrepreneurship, innovation, creativity, strategic entrepreneurship, corporate venturing

## Introduction

The world is in the midst of a new wave of economic resurgence, and entrepreneurship and innovation are the catalysts. The development, application, and enhancement of new technologies are occurring at a breathtaking pace. Innovation is determining the way business is conducted at every level, producing an entrepreneurial imperative for the 21st century (Kuratko, 2009).

Ireland, Kuratko, and Morris (2006a, 2006b) pointed out that to simultaneously develop and nurture current and future competitive advantages, especially those that are grounded in innovation, firms increasingly rely on corporate entrepreneurship (CE) as a strategy. Firms that exhibit CE are typically viewed as dynamic entities prepared to take advantage of new business opportunities when they arise, and with a willingness to deviate from prior routines, strategies, business models, and operating environments to embrace new resource combinations that hold promise for new

innovations. In general, CE flourishes in established firms when individuals are free to pursue actions and initiatives that are novel to the firm.

Developing organizational environments that cultivate employees' interest in creativity and commitment to innovation is critical to successful competition in today's global economy. The existence of a CE strategy implies that a firm's strategic intent is to continuously and deliberately leverage entrepreneurial opportunities (Shane & Venkataraman, 2000) for growth- and advantage-seeking purposes. Covin and Miles (1999) contended that innovation is the single common theme underlying all forms of CE.

Employees engaging in entrepreneurial and creative behaviors are the foundation for organizational innovation. In order to develop "corporate innovation," organizations must establish a process through which individuals in an established firm pursue entrepreneurial opportunities to innovate without regard to the level and nature of