

Intrapreneurialism: What it can do for

Imagine having the entrepreneurial drive, enthusiasm and brilliance of someone like Henry Ford, Estée Lauder, or Richard Branson at your disposal. Enter intrapreneurialism, the development of entrepreneurs within a business. A company that needs to take advantage of synergies, economies of scale and shared risk-taking for its success can benefit immeasurably from encouraging this discipline. But is it right for your business?

COMPETITIVE ADVANTAGE

Intrapreneurial business managers are fast emerging as a critical source of competitive advantage. In an intrapreneur-driven organisation, managers will be more inclined and able to spot and develop opportunities. Effective implementation of an intrapreneurial development programme can benefit your stakeholders in a number of ways:

- While your managers are offered the excitement and challenge of managing their 'own' business, they can still progress in their career
- Bureaucracy is cut with fewer people circulating information

- Your managers and employees are empowered to make day-to-day decisions on their own and be accountable for the results
- Your staff change from passively following orders to proactively seeking ways to better serve customers and reduce costs
- Your managers are supported in implementing innovative ideas, rather than replicating tasks defined by their supervisors

DRIVING VALUE CREATION

Typically, managers are faced with the challenges of both the mechanics and the dynamics of managing a business unit under significant pressure for change. In such an environment, intrapreneurial managers need to **not only operate their business units 'as if they owned them'**, but also co-ordinate effectively across functional lines.

In addition, they need to influence stakeholders at all levels, lead business teams through process improvement changes and, most critically, apply good business judgment to everyday decisions, while successfully competing for resources and support. But it's vital to have a rigorous approach to the selection and development of intrapreneurial managers. The competencies required are:

BUSINESS RESULTS ORIENTED (MECHANICS)

- Decision making within a system's framework
- Basic finance
- The focus on customer needs
- Business planning
- Innovation, problem solving and process improvement

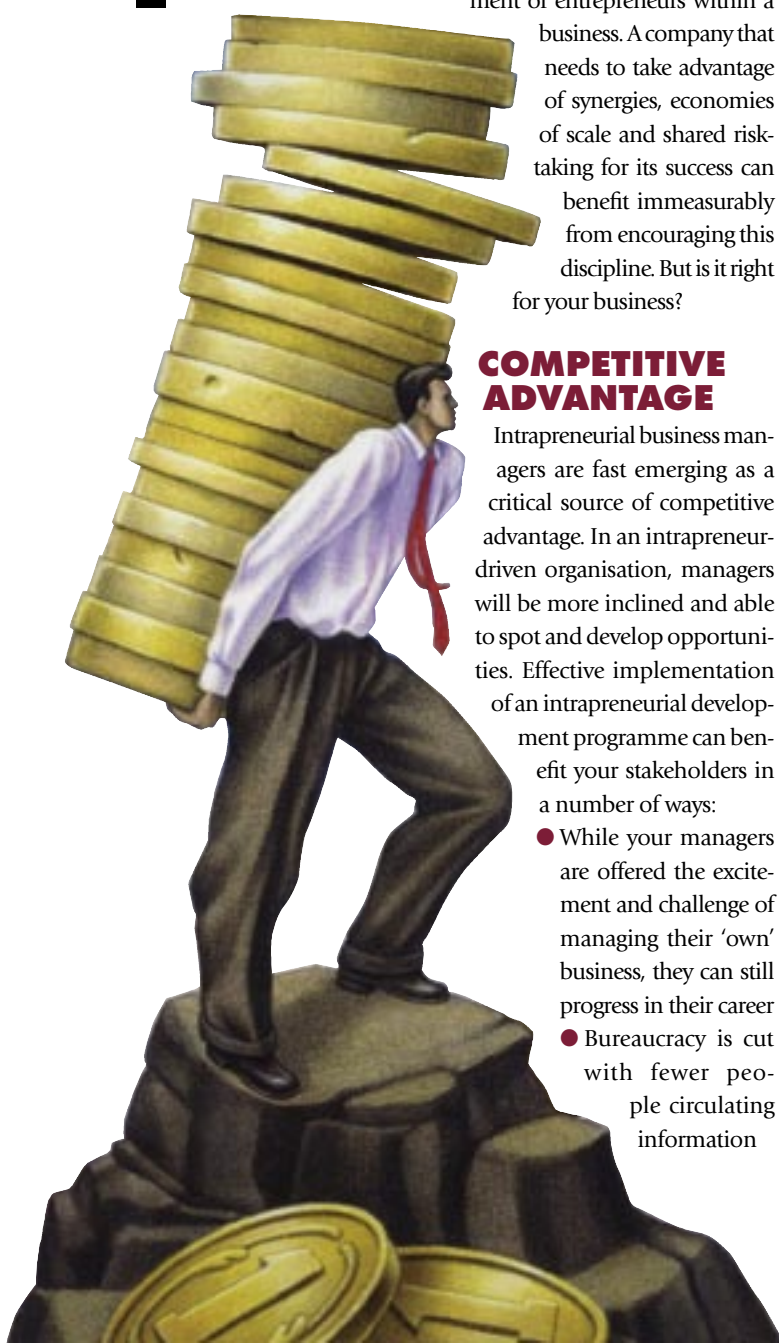
HUMAN RESOURCES ORIENTED (DYNAMICS)

- Management and motivation of others
- Personal confidence and leadership skills

CREATING THE RIGHT CULTURE

In a successful business, the intrapreneurial culture is reflected in managers who have a personal foundation for intrapreneurial success and who are able to develop self-confidence to stretch themselves. These managers are able to develop and apply their multi-disciplinary talents to meet your business' aims by seeing the 'Big Picture' and to undertake successful business process changes in the workplace.

To create the right environment, your culture must be right. First, timing is key – sometimes it can be a matter of 'too much, too soon'. When the timing is right, the definition of intrapreneurialism must



Could there be someone just like you lurking within your company's workforce? If so, then you could be sitting on a potential goldmine. **Doug Ross** explains how you can go about harnessing your employees' entrepreneurialism for the benefit of your business

your business



be consistent with the needed culture shift and the business case for change. The competencies identified for development need to be consistent with business processes and expected results, and must be a core component of both managers' and leaders' competencies.

In short, organisational alignment is critical. Once this is established, you'll need clear measurements for the success of meeting their expectations and the investment in training and development.

There are six areas in need of cultural and organisational change:

1. MANAGEMENT

Essential to the success of intrapreneurial management are:

- The combination of mechanics (day-to-day tools and decisions) and dynamics (influencing and communications)
- Senior management, director and manager level commitment
- Abandoning bureaucracy – intrapreneurs should be able to make changes and seize opportunities while challenging the status quo
- The sponsorship of innovation and creative visions that guide and focus the efforts of self-starting intrapreneurs
- The managers' abilities to take decisive action, accept responsibility and accept risk as a function of success

2. EMPLOYEES

Individual employees' contributions are the drivers behind innovation and process adjustments. Key to this are:

- Employee motivation. It plays a significant role in improving productivity through intrapreneurial initiatives
- Individual employee alignment with the corporate goals
- Management recognition of the fact that not all employees will be motivated to assume the role of intrapreneur in terms of assuming accountability for risk, innovation and business development

3. CHANGE

Change is an organisational and individual process of development. Inspiring intrapreneurialism within an organisation is a change process. Cultural icons, success stories and heroes are needed to celebrate, recognise and encourage intrapreneurial managers who demonstrate risk taking and implement new initiatives.



4. RISK

With increased employee autonomy comes the associated **management risk and employee**

responsibility to be accountable for their actions. Employees need to learn how to manage risk **wisely using good business judgement and fact-based analysis.**

5. STRUCTURE

Under an ideal company structure, employees:

- Are given independence and responsibility
- Make their own decisions, within general guidelines
- Get the resources their ideas need and are held accountable
- Have the authority to manage the resources of their business units
- Are free to select their associations (peer support, coaches)
- Are allowed to take qualified risks and make mistakes

6. WORK STYLES

You must take individuals' different work styles into account when forming an implementation programme. Examples include:

- True intrapreneurs, who are willing to take reasonable risks and who are self confident, trusting their ideas and abilities
- Threshold intrapreneurs, who are willing to take some risks, see themselves as potential leaders and take on extra responsibilities
- Hard workers, who are excellent, efficient employees, have a strong work ethic and team player skills. They need to be given a strong sense of direction, but provide value with their stability
- Maintainers, who perform their jobs adequately and are content with the status quo. They enjoy having independence, but seldom seek out extra responsibility

LETTING INNOVATION FLOURISH

As you decide to commit your brand, reputation and the inspiration of your employees to the concept of intrapreneurialism, you will need to reinforce this desired culture with effective measurement, competencies and leadership to allow innovation to flourish.

There are lots of ways to translate this concept into action. If there is a Bill Gates lurking undiscovered on the payroll, make sure you find him and use him to drive the value of your business to its max.

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