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Corporate Entrepreneurship (02) - Definitions part I

The terminology in the fields of corporate entrepreneurship and innovation could be confusing. Thus it seems to be necessary to first review some of the definitions used and to present some basic structures in these fields.

Sharma and Chrisman present an overview of the different definitions in the field of entrepreneurship:

A variety of terms are used for the entrepreneurial efforts within an existing organization such as corporate entrepreneurship (Burgelman, 1983 ; Zahra, 1993), corporate venturing (Biggadike, 1979), intreprenuring (Pinchot, 1985), internal corporate entrepreneurship (Jones & Butler, 1992), internal entrepreneurship (Schollhammer, 1982 ; Vesper, 1984), strategic renewal (Guth & Ginsberg, 1990) and venturing (Hornsby, Naffziger, Kuratko & Montagno, 1993).

Entrepreneurship encompasses acts of organizational creation, renewal or innovation that occur within or outside an existing organization.

Entrepreneurs are individuals or groups of individuals, acting independently or as part of a corporate system, who create new organizations, or instigate renewal or innovation within an existing organization. [1]

Burgelman, in his work, also proposes a definition of Entrepreneurship:

Corporate entrepreneurship refers to the process whereby firms engage in diversification through internal development. Such diversification requires new resource combinations to extend the firm's activities in areas unrelated or marginally related to its current domain of competence and corresponding opportunity set. [2]

This definition can be compared with the one proposed by Sharma & Chrisman:

Corporate entrepreneurship is the process whereby an individual or a group of individuals in association with existing organization, create a new organization or instigate renewal or innovation within that organization. [1]

Bibliographical references:

[1] Toward a reconciliation of the definitional issues in the field of Corporate Entrepreneurship

Pramodita Sharma, James J. Chrisman, In: Entrepreneurship theory and practice, 1999

[2] Corporate entrepreneurship and strategic management: insights from a process study
Robert A. Burgelman, In: Management Science, 1983