Corporate Entrepreneurship (06) - By 3M

After having talked about General Electric and Jack Welch in one of my last post, I would like now to mention some interesting thoughts from 3M, another well-known company for its innovation and entrepreneurial processes. It is quite obvious that 3M places also its innovative strengths in the center of the Corporate communication:

- About 3M - Inside the Innovation
- Innovation at 3M
- A century of innovation

Why is Corporate Entrepreneurship important for 3M?

- By the 1990s, the entrepreneurial initiative of generations of "ordinary people" in 3M created a portfolio of over 100 core technologies that had been leveraged into 60'000 products managed in 3'900 profit centers clustered under 47 product divisions.

- Yet despite its size and the maturity of many its businesses, [this company] continues to grow through individual initiative that allows 3M to generate more than 30 percent of its sales from products introduced within the previous four years. [1]

Some management rules by 3M:

- In 3M, the 15 percent rule allowed anyone to spend up to one-seventh of his or her time pursuing personal "bootleg projects" that might be of potential value for the company.

- In 3M a philosophy of "make a little, sell a little" reflected management's belief that the market was usually a better judge of business potential than the management hierarchy.

- Managers must retain a respect for ideas coming up from below. They have to ask, "What do you see that I am missing?". And they have to close their eyes for a while, or leave the door open a crack when someone is absolutely insistent that their idea has value. [DeSimone] [1]

About training and career plan:

- Instead of being indoctrinated through training sessions describing how to navigate through the procedures required to obtain formal approval on a project, the new 3M employee is likely to be regaled with stories about how legendary innovators challenged the system to get their ideas funded.

- At 3M and at most other high-performing companies, training and development play a major role in building the different competency profiles required by the newly defined frontline, senior-level and top management roles. But their approach is far from the traditional model built around carefully standardized training programs and a well-trodden career path of ticket-punching. Instead of trying to force employees into the one-dimensional mold of the "organization man", these companies use a portfolio of educational activities and career experiences to leverage very different natural traits and talents. [1]

Bibliographical references:

[1] The Individualized Corporation: A Fundamentally New Approach to Management
Sumantra Ghoshal, Christopher A. Bartlett, 1999