



# A Service Concept for developing Corporate's Entrepreneurship Thesis based on Foresight

**Debarati Rakshit**



Laurea University of Applied Sciences

Conceptual Consulting Framework to facilitate corporates  
developing their entrepreneurship thesis based on Futures Thinking

Debarati Rakshit  
Service Innovation and Design  
Master's Thesis  
May, 2022

Debarati Rakshit

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Year	2022	Number of pages	75
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During my professional tenure as a Corporate Innovation Consultant, I had an in-depth exposure to the Innovation world. Most organisations have their innovation strategy as an ad-hoc portfolio of activities being launched without a coherent strategy. Most of these innovation strategies does not even account for the future; disruption needs blurring of current state in the market. The innovation department mostly prioritise initiatives around customer validation, needs, pain points, new technologies and rarely about what the future holds.

This development project and thesis is an opportunity to develop a conceptual consulting framework to facilitate corporates developing their entrepreneurship (/Innovation) thesis based on futures thinking (boosting dynamic capabilities).

Rigorous literature review in Corporate Entrepreneurship, Dynamic Capabilities, Strategic Foresight and Futures Thinking - that lead to formation of the initial conceptual framework. Later this was challenged through the empirical research phase.

The empirical research process adopted is the double Diamond method grounded in Constructive Research Methodology. The process evolves through Problem Refinement and Solution Creation. The choice of Research has not been tied to a particular organisation and environment as it would limit in understanding how corporates generally operate within their objectives of Corporate Entrepreneurship. To study a phenomenon more generally, it required to have an in-depth interview with informants belonging to various kind of organisation, bringing in their diverse point of views.

The research information was analysed and coded into strategic themes, which informed the design principles. Design principles challenged the initial conceptual framework and allowed to create a more versatile conceptual consulting framework to facilitate corporates developing their entrepreneurship thesis based on Futures Thinking.

Keywords: Corporate Entrepreneurship, Futures Thinking, Strategic Foresight, Constructive Research, Conceptual Framework

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## 1 Introduction

Despite market dominance of incumbents, abundant resources, established network partners –incumbents are less confident about their future. They want to stay alive, relevant to their evolving customers and be working with the newest technologies. Never has been before, that established businesses and corporates are in fewer of entrants and startups pushing them out of their business and market. As a result of this, Corporates have started to develop them self as more entrepreneurial and agile. They have adopted a Corporate Entrepreneurship approach to tackle from getting disrupted.

Forbes (2020) had written that, since 2000, 52% of Fortune 500 companies have “gone bankrupt, been acquired or ceased to exist”. This is a scary thought for the executives. According to a Medium Article by Dan Toma (2019) mentions about the lack and ignorance of Corporate Entrepreneurship Strategy. He had been a participant to the famous Innov8rs Conference 2019 in Paris. And among the Corporate Entrepreneurship audience, he understood that there is a lack of clear Corporate Entrepreneurship Strategy being developed. It is often an ad-hoc portfolio of activities to spur some “Design Thinking” and “Creativity”. There is no logic to the thread of activities being launched or a coherent understanding of why they are important.

Moreover, another facet of the article surprised me was the lack of Foresight based Corporate Entrepreneurship strategy or projects. From the same Innov8rs Conference 2019, Dan Toma observed that most companies stick to few principles in defining them. Mostly are around: Customer Validation, needs, pains, technologies and not at all about how the Future might be. 78% companies invest in continuous improvements of their existing processes or products, whereas they should be investing more in disruptive ideas and technologies.

During my professional journey as a Corporate Innovation Consultant – I have hardly viewed Corporate Innovators, Innovation Departments Heads and external consultants talking about the Future. Although, almost every time, future is where Disruptive Technologies sees the commercial light, Future is where Customer pain points evolve into something completely different as they are part of a larger ecosystem. I have taken the lack I encountered in my professional journey and wanted to develop into an opportunity for other Consultants and agencies to have a tool to work with.

*I believe, this Thesis is an opportunity to develop a Conceptual consulting framework to help Corporates develop their Entrepreneurship (/Innovation) Thesis based on Foresight (boosting dynamic capabilities).*

## 1.1 Corporate Entrepreneurship Thesis

Fred Wilson (2009), an established Venture Capitalist writes about in his blog about Thematic vs Thesis Driven Investing. He mentions that in the Venture Capital world, firms define their focus areas. The two most popular are - Thematic Investing and Thesis Driven Investing.

Thematic Driven Investing allows to draw on big themes and pursues them. They fill the portfolios with companies and startups who fit those large thematic areas. For example, the world of “Web Services” can now enable businesses to investigate aggregator-based business models, or platform economy, etc. Thesis Driven Investing involves figuring out where a company wants to be and then road-mapping to it with strategic imperatives with 5 or 10 years in view. Fred Wilson mentions, that once you have drawn out the picture, it becomes your thesis. And in Venture Capital firms, they make every investment going forward with that thesis in mind. Corporate Entrepreneurship Thesis is similar. It allows to understand what the future business environment might look and sharpening the effort, project, and each strategic move accordingly.

The similar idea has been described by Viki, Toma and Gons (2017) in their phenomenal book “The Corporate Startup: How established companies can develop successful innovation ecosystems”.

Viki (2018) defines Corporate Entrepreneurship Thesis as a way to take a point of view on where the world is going and how they are going to respond to it with an Entrepreneurship or Innovation approach. Viki (2018) explains that in order to develop a Corporate Entrepreneurship Thesis (or he calls it as Innovation Thesis), one needs to develop it through:

- Portfolio Analysis: A corporate needs to understand where and how a company is situated before it takes a leap into the future. A corporate need to review its current products, services and portfolio of activities to understand core objectives, gaps and strengths.
- Business Environment: After looking inwards, one needs to adopt an outward outlook towards how the business environment is evolving and what the future might become. Without a grounded approach towards what will future morph the business and service solution landscape to - we cannot sketch a thesis, which takes care of not getting disrupted by an entrant or startup. It can also reflect on the Environmental Munificence and the opportunities with Corporate. It embodies the strengths through



dynamism of the firm, abundance of technological opportunities, industry growth and demand for new products.

There are plethora of tools and methods in assessing an incumbent's portfolio but rarely on Business Environment. And I believe this Thesis is a great opportunity to develop one. Business Environment is critical to any business, both from hostility and munificence perspective.

Today's Business environment possesses constant change, flux or competitive rivalry; and managers need to be flexible to quickly sense this change, morph internal structures and processes to exploit munificence that this new business environment brings. This is what Strategic Flexibility is and Liu et al. (2013) treated strategic flexibility as dynamic capabilities, i.e., sense and seize opportunities along with the ability to configure company's assets and resources to navigate and win the business environmental flux. Thus, there is a constant need to understand, sense and strategies according to the wave in the business environment, especially future as it is already here but in discontinuous sense.

There is a gap in the approaches and methods available in the industry to base Corporate Entrepreneurship Strategy involving Strategic Foresight or keeping Future in mind. Thus, my aim in the Thesis is develop a Consulting Service Concept, which will be used by an External Innovation Consulting Firm, QGLUE- to help corporates develop Corporate Entrepreneurship Thesis with Foresight Methods and Tools.

Moreover, as Viki (2018) describes that Corporate Entrepreneurship Thesis should be treated as a Thesis or Hypothesis - i.e., it is a starting point and a guiding principle only. It will evolve over time, review progress and refine over and again. Although, I believe a well-defined starting point is better than none. With a defined Corporate Entrepreneurship Thesis, we can gradually build priorities, near-term strategic goals and roadmaps to seize the future or align to seize the future.

## 2 Evolution and Need for Corporate Entrepreneurship

### 2.1 Evolution of Corporate Entrepreneurship

The history of Corporate Innovation was born out of the death of ideology behind manufacturing-oriented new product development. Innovation and creation of new businesses are more dependent now on new Technologies spun very quickly out by smaller companies and startups.

The idea behind Corporate Entrepreneurship goes back to 1996 when Zahra defined Corporate Entrepreneurship as Entrepreneurial activities within an established firm. It

can include Innovation Programs, Venturing, Strategic Renewal, etc. It was discussed by Peterson and Berger (1971) as a Strategy and Leadership style developed and internalized by large organizations to cope with increasing level of market turbulence. Nearing 1990s, venture capital industry started financing new ventures, worked out by employees who left their cushy corporate jobs to create new business models to create and capture value. Partly in an effort, to capture some of these very entrepreneurial employees, companies started setting up their own Corporate Venture wings. This was more encouraged due to the Internet Boom of the late 1990s, when established companies had to rethink both threats to their core areas and create new opportunities (Wolcott & Lippitz 2010).

## 2.2 Need for Corporate Entrepreneurship

As firms keeps growing their businesses specific portfolio concentration - their capacity to maintain growth trajectory in their mainstream business eventually diminishes. Sooner, the firms must find mechanisms to define opportunities in completely different and unrelated areas of business. This is often carried out through mechanism like Internal Corporate Venturing, External Corporate Venturing, Acquisition, etc (Burgelman 1984). He described Corporate Entrepreneurship as a strategic measure to extend firm's competency to seizing new opportunities and new resource combination.

Wolcott and Lippitz (2010) describes Corporate Entrepreneurship a field within which corporates practice fostering, cultivating, and launching new businesses. It is not only pertaining to Products or Services - but revenue making streams which are distinctively different from current portfolio yet provides for the company's core objectives and growth.

The world has become increasingly important for corporates to invest in Corporate Entrepreneurship and Innovation Practice as the world is increasingly in fluidity and flux of technical and business talents, where competition maybe forming from unpredicted direction. Thus, to keep organic growth keep on spurring, Corporate Entrepreneurship and Innovation is the strategic answer to this challenge (Wolcott & Lippitz 2010).

Corporate Entrepreneurship requires to innovate and push frontiers in dimensions, which earlier has not been thought about. It requires investment and creation of services in Customer Experience, Channel strategy and Value Capture (Wolcott & Lippitz 2010). There are numerous examples of companies, where they have completely re-thought the business model and their offerings like the iPod. It completely transformed the music supply chain to provide a better customer experience and music production. Spotify, SoundCloud are the result of this disruption that has occurred due to the change in which value, was recognized, created, and delivered to the end users.

### 2.3 Categorization of Corporate Entrepreneurship

The literature on Categorization of Corporate Innovation gives us already an idea of the benefits of Corporate Entrepreneurship. Moreover, it allows us to see the varieties of activities and forms Corporate Entrepreneurship Strategy can take. Covin and Miles (1999) suggests that there can be five forms of Corporate Entrepreneurship, including the opinion basis of (Kuratko & Audretsch 2009).

- Sustained Regeneration
- Organizational Rejuvenation
- Strategic Renewal
- Domain Redefinition
- New Business Model Construction (Kuratko & Audretsch 2009)

Sustained Regeneration refers to continuous efforts in introducing new products and services. This can also be called as New Market Entrance. Organizational Rejuvenation is defined as rejuvenating the old and long-standing internal processes, ideologies, thought processes, structures, governance model or capabilities. Strategic Renewal refers to redefinition and creation of new relationship with its market and industry competitors, by which they fundamentally reposition the firm within the market. Domain Redefinition refers to the renewal of domain expertise of the firm. It refers to the creation of new product-market area that has not been previously actively recognized or exploited for.

Kuratko and Audretsch (2009) also added another dimension, which refers to redesigning the firm's core business model to enhance operational efficiencies or differentiate itself from the competitors, in way which is highly valued at the present time. It sometimes, referred to as a renewal and innovation with which value created and captured.

Some Scholars went onto categorize Corporate Entrepreneurship between Internal and External Corporate Venturing. Internal Venturing referred to the phenomenon of all entrepreneurial activities happening within the internal boundaries of an established firm (Morris et al. 2010). External Venturing refers to creation of new businesses by corporations in which a corporation leverages external partners in an equity or non-equity inter-organizational relationship (Schildt et al. 2005). Firms use various models of governance to incorporate Corporate Entrepreneurship Strategy. Corporate uses modes like Corporate Venture Capital, Non-Equity Alliance, Joint Ventures, and acquisitions for external Corporate Venturing (Sakhdari 2016).

Sakhdari (2016) gives a thorough illustration and explanation of the different modes of the Corporate Entrepreneurship Strategy. He explains that Corporate Venture Capital refers to the development of partnerships by investing in newer and nimbler firms for strategic purposes. Whereas a non-equity alliance is pertaining to the development of a new business

with partners based on contracts. It also means that in this mode, an entity formulates its new legal entity with partners for pursuing opportunities.

Acquisition is different, referring to the internationalization of a new venture by purchasing most of the shares of this new venture (Schildt et al. 2005). Finally, licensing means gaining access to the knowledge, innovations, technologies, and discoveries of other firms for strategic purposes in return of a fee (Yang et al. 2009).

Scholars also distinguish between Domestic and International Venturing. But we will not discuss the differences here, as it will go into the details of Categorization of Corporate Entrepreneurship, which is out of the discussion for the development of our framework. For us Strategy Framework, a firm can already work with the knowledge of already discussed modes of Corporate Entrepreneurship modes like Corporate Venture Capital, Non-Equity Alliance, Joint Ventures and acquisitions for External Corporate Venturing (Sakhdari 2016).

#### 2.4 Corporate Entrepreneurship and Financial Performance of a Firm

The study by Zahra and Covin (1995) suggests that Corporate Entrepreneurship has a sportive impact on the financial measures of a Company performance. Although the effects show result in moderation over the early years, increasing over time and suggesting that it may have a more significant effect for long-term company financial performance. Moreover, the results of their study indicate that benefits of Corporate Entrepreneurship are even more significant in established companies operating in a hostile environment.

Adopting a strategy aligned on Corporate Entrepreneurship increases the innovativeness of a firm. Arguments made by Miller and Friesen (1984) and Pinchot (1985) discusses that Innovativeness can be a source of competitive advantage for a firm. Innovative companies quickly developer more strong reputation in a market and enhances customer loyalty. Being

innovative, firms can respond to market changes, flux in external environment more quickly, thus capitalizing on emerging opportunities. And the fact that these firms have a quicker response to change, they can obtain significant competitive advantage in relation to their competitions. A competitive move will allow them to have a first-movers advantages and translate into a superior firm performance. It can be argued, that these possible understanding that when a firm is being entrepreneurial and adopting Corporate Entrepreneurship - it can obtain higher Firm Performance and thus significant Financial Performance. This argument has been well established into factual basis by the study conducted by Zahra and Covin (1995).

The study by Zahra and Covin (1995) establishes that the Corporate Entrepreneurship and Firm Performance can significantly increase over time, if not significantly in the short

run. The results of the study assure that Corporate Entrepreneurship and Firm Performance is positively related. As a long-term strategy, it achieves superior financial performance. Although, this has two implications. First, managers should seriously consider Corporate Entrepreneurship activities as means of enhancing company's financial performance. Second, the managers should adopt a long-term perspective in their innovation strategy. A significant point made by Burgelman and Sayles (1986) mentioning that evidence of positive influence of Corporate Entrepreneurship might take some time, as such activities are often on the fringes of formal and tradition concept of the firm, thus takes more time to accept, adapt and adopt to it. It needs considerable effort from within the firm to internalize to see its effects and benefits.

Zahra and Covin (1995) also discusses in their work about the environment in which Corporate Entrepreneurship is practiced "can have a strong and persistent impact on the effectiveness of an established firm's entrepreneurial behaviours". They mention that few studies have shown Corporate Entrepreneurship to have better financial performance among firms in hostile environment. There is a positive correlation between degree of hostility in the external environment with the firm performance due to Corporate Entrepreneurship. Thus, we can argue that when a firm establishes Strategy based on Corporate Entrepreneurship - it can lead to positive firm performance and financial gain in a hostile environment. As today's society is in constant flux and change, it has become pertinent and an absolute necessity to adopt Corporate Entrepreneurship strategy to establish stronger ground for greater financial gain.

## 2.5 Corporate Entrepreneurship, Environment and Dynamic Capabilities

Zahra and Pearce (1990) recognize the importance of environment in the executives pursuits of Corporate Entrepreneurship. Their definition of the environment frames their strategy. These perceived 'environments' arise from the variation in company's definition of their industry, marketplace, region, customer needs, business expertise. It is not a single truth; it is conceptual understanding based on the business and strategy. There is a need to use multiple dimensions to capture a company's environment. A Corporate Entrepreneurship Strategy based on Environment is based on many dimensions, like: Munificence, Hostility and Heterogeneity. For this Thesis purpose, I have defined the need of Corporate Entrepreneurship on basis of Environment Munificence and Environmental Hostility.

Environmental Munificence reflects the richness of opportunities for Corporate Venturing and Renewal in an industry. It embodies the opportunities through the dynamism of the firm, abundance of technological opportunities, industry growth and demand for new products.

Dynamism creates opportunities for a firm within its own pretext, arena and market but also on the allied areas. A firm can locate an opportunity in its own or adjacent market – and can respond to it by reorganizing its capabilities, product development, research, market capture and processes. It can increase the scope of business and portfolio by responding to change in the market and create new products and services (Zahra & Pearce 1990). Dynamism also gives a scope to companies to renew itself and reinvent with changing times. Thus, as companies perceive their environment dynamic – their need and push for self-renewal will increase. This is also known as Dynamic Capabilities.

Dynamism is also an absolute necessary when there is a “technological push”, where new advances in technology creates a demand gap and pulls the established firm to take an immediate step to answer it. The technological push sometimes creates new opportunities through creating new market and/or new market needs. Technological opportunities differ from one industry to another because of difference in the stage of technological evolution they are situated in (Zahra & Pearce 1990).

Perceived industry growth is another element which bring about environmental flux which encourages executives adopt corporate Entrepreneurship strategies. It relates to a firm's perception of demand of their products in the industry (Harrigan 1985).

Zahra and Pearce (1990) discuss about the importance executives place on introduction of new products and services. In some industry, introducing newer products gives a competitive edge. It allows to create more demand and sometimes, create newer and stronger brand image. Demand pull will enforce and encourage to companies to reorganize and orchestrate to create newer products and invest heavily in expanding their R&D activities and portfolio expansion. To facilitate this, an established company must develop new processes, structures, governance models. This demand pull eventually allows companies to focus on self-renewal. Companies must define their business portfolio, create effective scanning systems to monitor market changes and develop appropriate structures for new ventures” (Zahra & Pearce 1990).

I argue, that developing new structures and organizing itself to scan environment, sense new opportunities and finally seize it through different modes of Corporate Entrepreneurship is the element of Dynamic Capabilities in action.

## 2.6 Corporate Entrepreneurship and Hostility

Besides Environmental munificence, environmental hostility provides an opportunity for adoption of Corporate Entrepreneurship. Hostility is due to unfavourable conditions in the environment, which can enforce a company to rethink its business.it

Some of the variations of Hostility described by Zahra and Pearce (1990) are:

- Unfavorability of Change
- Competitive Rivalry

When hostility arises due to unfavorability of change in the environment, companies usually proceed to redefine their business, domain, undertake significant alignments in their operations through divestments, retrenchment, or restructuring" (Zahra 1991). Increased hostility forces the executives to find innovative measures and methods to control the source of hostility, initiate self-renewal program, redefine their business concept, reduce and eliminate waste in production and processes as much possible and finding ways to reduce the effect of hostility on their business. These kinds of organizational changes will entail adopting organic organizational structures and increasing environmental scanning. I would like to argue that the activity of answering to environmental hostility through redefinition of business model, customer segment, new market with newer and revisited structures and processes entails Dynamic Capabilities.

Hostility of an environment is also enhanced by the intensity of competition in a market or segment. When competitive rivalry is fierce, companies tend to look for innovating in both products and processes, "explore new markets, find novel ways to compete and examine how they will differentiate themselves from competitors. Nowadays, in industries like Microcomputers, Technology based companies, Healthcare and Fabricate Metals - this have become a common phenomenon. Past research reflects on the fact that intense competition creates a conducive facilitating process for companies' venturing, especially through innovation (Adler 1989).

Fombrun and Ginsberg (1990) mentions the relationship between Corporate Entrepreneurship activities and rivalry are non-linear. Corporate Entrepreneurship may intensify the level of rivalry and influence competitors over time.

## 2.7 Dynamic Capabilities in relation to Corporate Entrepreneurship

Teece et al. (1997, 516) seminal work on Dynamic Capabilities defined it as "the firm's ability to integrate, build and reconfigure internal and external competencies to address rapidly changing environments". This is a practical answer to today's corporate needs of adapting, influencing, and winning in an environment which is under flux and hostility, while bringing its own munificence.

Corporate Entrepreneurs and Managers shape strategy, structure, and process by orchestrating the firm to positively affect and harness the firm's dynamic capabilities (Corbett & Neck 2010). The ability of a firm to understand, gauge and capitalize the needs of ever-changing environment, which is going on, depends on the dynamic capabilities of the managers, which in turns forms the dynamic capabilities of the firm. It determines the

organization's capabilities to extend, modify or create new resource base for the organization. Dynamic Capabilities is seen as a heterogeneous resource creation source for the organization and when properly orchestrated, it can have a positive impact on the firm performance.

One of the most promising theories that have evolved in strategic management field is of Resource Based Views (RBV) of the firm. The firm has been conceptually characterized into a collection of resources and capabilities, rather than a set of market positions (Wernerfelt 1984). Resource based view takes in consideration the performance differences across firms arising from valuable, rent-generating, firm specific resources and capabilities that cannot be easily imitated or substituted. Based on this view, Prahalad and Hamel (1990) proposes that firms do not compete on new products but rather on the capabilities and the capacity to develop new products and services.

Teece and Pisano (1994, 541) further developed this area of capacity to develop new products and services by proposing Dynamic capabilities of a firm. Dynamic capabilities was described as the subset of the competences/ capabilities which allow the firm to create new products and processes and respond to changing market circumstances" (Teece & Pisano 1994). Thus, a firm's competitive advantage lies how it shapes the distinctive processes and the evolutionary path to capture the opportunities of an evolving, competitive, and hostile business environment. It is how the top management positions, orchestrates and leverages their internal processes, investment, R&D efforts, strategic acquisitions, development organizational learning to human resources and manufacturing. I argue and reason, that the effort or orchestrating an internal organization, investment, and processes to harness competitive advantage relates to the Innovation Capabilities and Strategy of an organization.

In fact, it is the Dynamic Capability of a firm, which can sense, sense-make and respond to strategic moves- which in fact is the reason why Corporates are adopting Corporate Entrepreneurship strategies. Thus, studying Dynamic Capabilities in light to Corporate Entrepreneurship is a necessity.

## 2.8 Building Dynamic Capabilities with Strategic Foresight

Today's business environment is extremely volatile and in constant flux due to the emergence of globalization, highly disruptive business models and rapid technological change. It has substantially increased the instability and complexity of the competitive business environment (Grant 2003, Burton 2013). Sometimes, extremely unlikely, and unpredictable occurrences with significant consequences change the transition of the business environment. This kind of occurrences is known as Black Swans. Black Swan forces transition in individual companies or sometimes an industry (Teece & Leih 2016). Scholars



have argued that dynamic capabilities facilitate the capacities to sense, seize and react to opportunities and threats (Teece 2007). Thus, Teece (2007) argues that improving Dynamic Capabilities or firms' abilities to respond to unknown future allows better ways to shape it. Teece and Leih (2016) argues that strong sensing capabilities allow a company to detect fundamental changes which is spurring in a corporate environment at an early stage, thus allowing to react and seize external shocks and opportunities. It also grows internal process, mechanics, and mindset for a quicker adaption, which is it an absolute component piece.

Dynamic Capabilities is an extension of the Resource-Based View (RBV) of a firm. RBV is a central concept to understand how a firm create and perpetuate competitive advantage (Schilke et al., 2018; Helfat & Peteraf, 2003). Resource Based View gives a glimpse of how companies own tangible and intangible assets, operational capabilities and effectively use them to create business opportunities and competitive advantage. Dynamic Capabilities, as described earlier- refers to an organization which "Purposefully create, extend or modify its resource base" (Helfat 2007). Dynamic Capabilities can be fully exploited and materialized when we incorporate sense-making and seizing capabilities. Both these capabilities need to cross a particular threshold to foster innovation (Naldi et al. 2014). These foresight-oriented capabilities of Sense-making and Seizing can be developed, assessed and deployed to orient the internal capabilities for the changing business environment (Sharfman & Dean 1997). These Foresight oriented abilities of a firm allow it respond to changes, flux and competitive rivalry in the business environment. Foresight capabilities grow Dynamic Capabilities of a firm which allows it to navigate through Environmental Munificence and Environmental Hostility. Moreover, Dynamic Capabilities is very similar to the view of Strategic Flexibility. Thus, it can be argued that Foresight Capabilities grow both Dynamic Capabilities and Strategic Flexibility.

### 2.8.1 Foresight and Strategic Flexibility

Shimizu and Hitt (2004) describes Strategic Flexibility "as an organizations capability to identify major changes in the external environment (eg: introduction of disruptive technologies), to quickly commit resources to new courses of action in response to change, and to recognize and act promptly when it is time to halt or reverse such resource commitments. They mention that a new competitive landscape has taken form, mostly driven by advancements in information technologies and increasing globalization. Earlier, Hitt et all. (1998) mentioned that the new business environment possesses various challenges, including blurring of industry boundaries, increase in international operation, intense competitive rivalry and the need for continuous innovation. This new landscape will pose companies and industries to high intense turbulence, discontinuities, and unrelenting

complexity. In such business, environment, it is but evitable that only strategic planning will not be enough.

When an environment possesses sudden threat, change, flux or competitive rivalry, managers must adopt flexibility to quickly sense this change, morph internal structures and processes to exploit munificence that this new business environment brings. This is what Strategic Flexibility is and Liu et al. (2013) treated strategic flexibility as dynamic capabilities, i.e., sense and seize opportunities along with the ability to configure company's assets and resources to navigate and win the business environmental flux. The same ideology has been proposed by Chen et al. (2017). They propose to consider strategic flexibility as dynamic capability that improves the reconfiguration and organization of resources along with extant operation routines.

From this discussion, we can conclude that Dynamic Capabilities and Strategic Flexibility can be viewed as same in practice. Moreover, Foresight practice within a firm cultivates Dynamic Capabilities and Strategic Flexibility. Thus, to concretize, it can be viewed that Strategic Foresight is an important practice for firms and managers to win in this unpredictable and highly volatile business environment.

In the study carried out by Haarhaus and Liening (2020), one of the respondents during their research on "Building dynamic capabilities to cope with environmental uncertainty: The role of strategic foresight mentions that- "I think strategic foresight is also a new way of thinking. In my opinion, the next step is to increase flexibility in the company. What's the use if I can see but then can't react? And I must also be able to revise an idea that turns out to be wrong in retrospect".

Firms and managers can harness the practice of enacting upon "seeing" through many tools and methods available in the Foresight based practice. Environment Scanning and Scenario planning can be very resourceful in this context. As Haarhaus and Liening (2020) mentions that environmental scanning can propagate to identify and comprehend discontinuities and trend emerging in the firm's environment. It allows an organisation to commit resources in new fashion and take an innovative course of action to cultivate munificence of the competitive context. In action, Scenario Planning helps in developing alternative images of the future,

potential course of action and evaluating which path to follow. Scenario Planning helps firms to prepare for the future. Scenario Planning helps to provide the "flexibility" in which future and path to follow. Thus, facilitating the Strategic Flexibility and Dynamic Capabilities of a firm.

We can see the coherence and an absolute necessity to nurture Foresight Capabilities to harness Dynamic Capabilities (and Strategic Flexibility) of a firm.

Moreover, in earlier discussion we established that developing new structures and organizing itself to scan environment, sense new opportunities and finally seize it through different modes of Corporate Entrepreneurship is the element of Dynamic Capabilities in action.

Therefore, I argue that Foresight Capabilities in coherence with Corporate Entrepreneurship can highly alleviate the Dynamic Capability, which is the goal of Strategic Management of an organisation. And this Thesis tries to develop a service concept for developing a Conceptual consulting framework for helping Corporates build their Entrepreneurship Thesis based on Foresight (to facilitate Dynamic Capabilities in action).

## 2.9 Note on Terminologies: Corporate Entrepreneurship and Corporate Innovation

As the field of Corporate Entrepreneurship is a new field study and practice in the industry, the phenomenon is still in its early formation and flux phase. Different labels have been used to address Entrepreneurship within established firms (or corporates). Labels have ranged from Corporate Venturing (Burgelman 1983), Intrapreneurship (Pinchot 1985) to explore themes like Corporate Entrepreneurship (Guth & Ginsberg 1990), Internal Corporate Entrepreneurship (Jones & Butler 1992) and Strategic Entrepreneurship (Hitt et al. 2011). As I have worked in the past as a Corporate Innovation – Program Manager, I wanted to have a clear distinction understanding between Corporate Innovation and Corporate Entrepreneurship. Although, in practice and in industry, the phenomenon and corporate Strategy aligning with Entrepreneurship is more colloquially known as Corporate Innovation.

I have tried to go through separate Literature on Corporate Entrepreneurship and Corporate Innovation and has come to realize that the two terms have been used interchangeably and there is no common understanding of the difference in terminology between the two. For the same reason, Sharma and Chrisman (2007) discusses about the ambiguity in terminology used for Corporate Entrepreneurship and Corporate Innovation. Although several authors have acknowledged the features that are unique to Corporate Entrepreneurship, but they have used different terms to express themselves. Although, it is common in an emerging field to have terminologies still being undefined, as the phenomenon is still under flux and construction. Rather it is necessary for the scientific progress of the field. For this Thesis purpose, I have used Corporate Entrepreneurship as an overarch to simplify and stand for both Corporate Entrepreneurship and Corporate Innovation.

### 3 Developing the Framework

#### 3.1 Dual Transformation and Futures

According to Anthony, Gilbert and Johnson (2017) in their Book "Dual Transformation-How to Reposition Today's Business While Creating the Future", they mention the corporate often move too slowly, toppling under their own weight and hierarchy, whereas innovative and growing startups embrace the newness of technology, creating new business models and morphs into new organizational model. Executives of incumbents to survive this external environment steeped with stifling competition, creates new business model along with saving and protecting their on-going business and operations.

Disruptive innovation often and very fast changes the business environment and topology around (Anthony, Gilbert & Johnson 2017). At a particular point in time, a corporate might feel like that they are sitting at the most optimum and strategic position, but when a disruption created by an entrant happens, it put the entire business ecosystem in a flux, and then suddenly the incumbent loses its position of optimum strategic hold.

In the figures below, the solid square represents the Incumbent, while star represents the startup. In figure 1, it shows that Incumbent is leading the environmental flux by riding it. While the second figure shows a completely different scenario, where the incumbent is losing its power to the startup.

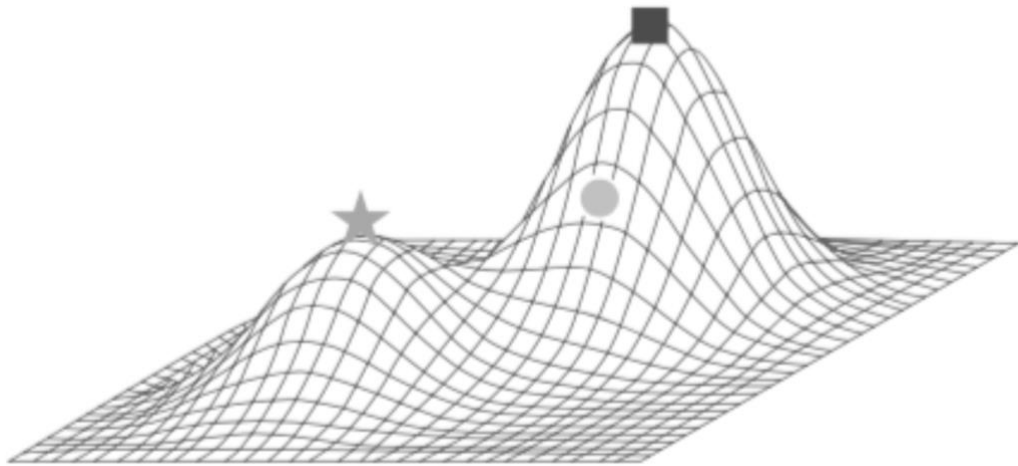


Figure 1: Strategic Position by an Incumbent

As the business environment is not static and in constant flux. It is difficult for a Corporate or Incumbent to compete head on with the disruptor, which soon will be rising to a powerful position. In this condition it is important for the incumbent to atleast establish a foothold on its hill.

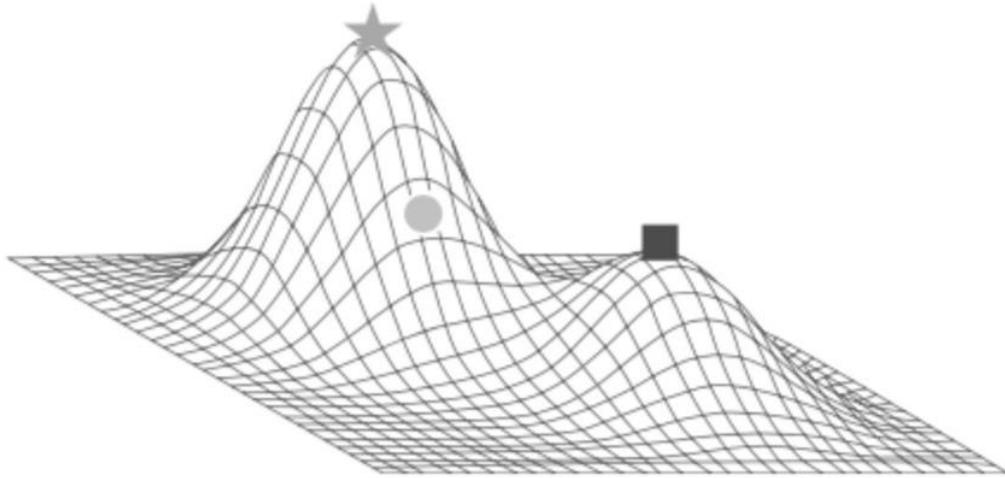


Figure 2: Business Environment in flux and Incumbent losing its position

From this position, the incumbent would try to change its strategy completely and it's a dangerous endeavour. An executive who has led a transformation and change in their strategy would be aware of the long toil and resistance ahead. Thousands of jobs will be displaced, communities around the business will perish and accumulated knowledge of technology and business will be lost. What if executives could harness the power of already existing and established, knowledge, knowhow, business processes and hierarchy to power new changes and business models. This what Dual Transformation is about. It is the greatest opportunity for a leadership team - the disruption which almost sets them off, has the biggest capital to set off the new age of innovation for the incumbent. As Anthony, Gilbert and Johnson (2017) mentions that, disruption opens the windows of opportunity to create massive new markets [...] It is the moment when business legacies are created'.

### 3.1.1 The Dual Transformation Equation

Anthony, Gilbert and Johnson (2017) define their Dual Transformation equation as "A+B+C= Δ".

A = Transformation A is about repositioning today's business to maximize resilience and in tandem with the business environment changes.

B = Transformation B relates to creating a separate engine for growth. This almost equivalent to the strategy of creating a foothold in the strategic hill of the disruptor (Figure 2).

C = Capabilities Link. It refers to taking advantage of the difficult to replicate assets without succumbing to failure. Maintaining competitive position with its exclusive knowledge and know-how.

#### **Transformation A**

This transformation refers to repositioning the core businesses to solve and existing customer problems but in a completely novel way, like the way Adobe and Netflix did. But finding innovative ways to solve customer problems they made their own business more resilient and relevance in the face of disruption. There can be four ways an incumbent can set up to drive Transformation A. They are:

- Define in detail what is the post-disruption job that the company can do for its customers.
- Innovate existing business model to deliver value against job to be done.
- Determine new track metrics for the new business model.
- And to implement change quickly and aggressively.

### **Transformation B**

Transformation B is about creating new business growth that can capitalize on the new disruptive technology, new ecosystem players and communities around it. To develop the competencies for Transformation B, we can follow four keys ways to capitalize it:

- Identifying new markets and constrained markets, identifying a problem, which significant number of customers are not able to solve and thus found new ways to create value and solve it.
- Breaking down the consumption barriers that keep cheaper and more convenient solutions out of reach. In fact, Transformation B should create the pathway for creating products/ services and technologies more accessible to a larger audience.
- Iteratively developing new service models to acquire new customer groups, markets and also the power of possibilities of the future.
- Also, to develop complementary skillset, using partnerships and acquisitions as a method to win a strategic and competitive position.

As Transformation B refers to the change in what and how variables of the business operations, it requires more prudent, iterative, and test-and-learn approach to business operations.

### **Capabilities Link**

Incumbents, over the years of existing, thriving and creating new technologies and knowledge- has definite set of assets which are difficult to replicate. These difficult-to-replicate assets with the right amount of Entrepreneurialism can infuse business innovation.

### **Focus of Thesis**

In the thesis, the focus is to develop the groundwork of leading Transformation by adopting a Corporate Entrepreneurship Strategy. I have referred to a Strategy Framework defined by

Anthony, Gilbert and Johnson (2017) in their book “Dual Transformation-How to Reposition Today’s Business While Creating the Future” - to drive forward the Transformation B, which refers to being at a competitive position with relative to an innovative entrant, or energetic leaping-forward startups. Transformation B is the focus of our thesis as the four pillars by which we can drive it forward - is well adhering to the posture, methods and benefits for Corporate Entrepreneurship Strategy.

Moreover, Anthony, Gilbert and Johnson (2017) suggest that top management should arbitrate between Transformation A and Transformation B, with a more bias towards B. B gives the competitive advantage in the longer term and in-terms of competition and munificence of business environment. Moreover, the more attention is required for Transformation B, as it is not immediately profitable. Thus, the Strategy Framework for Transformation B forms a base for inspiration and grounding for developing our Corporate Entrepreneurship Strategy Framework.

### 3.1.2 Future-Back Method and other Frameworks

One of the Strategic tools mentioned by Anthony, Gilbert and Johnson (2017) in their book “Dual Transformation - How to Reposition Today’s Business While Creating the Future is the Futures Back Method. The Futures Back Method drives forward the Transformation B. While Comparing the Futures Back Method (Anthony, Gilbert, Johnson 2017) with Future Mapping (Philips 1996) and Backcasting Wheel (Bengston, Westphal, Dockry 2020), I found each method to be quite like each other with few additional more steps.

#### **Future Back Method**

The Future Back Method (Anthony, Gilbert, Johnson 2017) follows a mechanism, where the future environment is defined, company’s future state is defined and then a roadmap to achieve it is chalked out.

Table 1: Future Back Method (Anthony, Gilbert, Johnson 2017)

<b>Future-back strategic dialogue guide</b>		
<b>Dialogue</b>	<b>Input</b>	<b>Seek to align on . . .</b>
Align on the future environment	<ul style="list-style-type: none"> <li>• Trend analysis</li> <li>• Internal interviews</li> <li>• Competitive research</li> <li>• Future customer analysis</li> </ul>	<ul style="list-style-type: none"> <li>• Priority trends</li> <li>• Future competitors</li> <li>• Future customers</li> </ul>
Define the company's future state	<ul style="list-style-type: none"> <li>• Capabilities assessment</li> <li>• Current business headroom and adjacency potential</li> <li>• Goals and boundaries</li> </ul>	<ul style="list-style-type: none"> <li>• Future targets</li> <li>• New growth requirements</li> <li>• Where-to-play choices</li> <li>• How-to-win options</li> </ul>
Identify specific strategic imperatives	<ul style="list-style-type: none"> <li>• Growth gap analysis</li> <li>• Future core business model</li> <li>• Potential strategic opportunity areas</li> </ul>	<ul style="list-style-type: none"> <li>• Priority gaps</li> <li>• Required future capabilities</li> <li>• Transformation A and B strategic imperatives</li> </ul>
Detail the path forward	<ul style="list-style-type: none"> <li>• Walk back from desired future state</li> <li>• Assessment of current culture and systems</li> </ul>	<ul style="list-style-type: none"> <li>• Near-term strategic initiatives</li> <li>• Governance and structure</li> <li>• Implementation road map</li> </ul>

### Backcasting Wheel

Backcasting Wheel (Bengston, Westphal, Dockry 2020) follows a similar mechanism of identifying what the ideal future would look like and chalking out the practical steps to achieve it. The steps look like:

1. Identify key dimensions of success (predetermined preferred future goals)
2. Identify Signposts (or milestones, which identifies that you are on track)
3. Identify opportunities and obstacles (in the road to reaching the signposts)
4. Identify concrete Management actions (to achieve the signpost)
5. And then actions or concrete management steps are given scores and analysed.

If we analyse the Backcasting Wheel, we identify four concrete stages in the process. They are as follows





Figure 3: 3 Concrete stages of Backcasting Wheel

### Future Mapping

Future Mapping Method as developed by Phillips B (1996) has three concrete stages to it. As Philips B (1996) describes it as powerful process for creating a compelling vision or a future and then deciding what will the milestones be and the way to achieve it. This method will work for short-term and long-term future. Depending on whether the future is near future or distant future, the strategic discussion will change. The discussion and dialogue help in creative thinking, nurturing, and sharing ideas. This will also build a sense of common purpose and action.

Philips B (1996) describes that there are two kinds of Future Thinking.

1. Forecasting - taking steps to manage or cope with what may happen or expected
2. Visioning - is more like dreaming. It is closer to what can the future be without putting realism or “expectations” in it. It is more like envisioning and dreaming what the future is wanted to be like.

Philips B (1996) also points out that form of Future Thinking is a figment of imagination. Until we take an action, it remains still in the future, waiting to be achieved. Both Visioning and Forecasting is preparing to act in the future, but the action must be in the present, road-mapping to the future.

### Steps in the Future Mapping Method

The three distinct steps of the Future Mapping Method are:

1. Creating a compelling ideal Future
2. Mapping out milestone events and achievements
3. Managing accomplishments of the outcomes, beginning back in the present.



Figure 4: Future Mapping Method

### Comparing the 3 Futures Method

When we compare the 3 Future Method of:

1. Future Back (Anthony, Gilbert, Johnson 2017)
2. Backcasting Wheel (Bengston, Westphal, Dockry 2020)
3. Future Mapping (Philips 1996)

Perspective 1:

I found that Backcasting Wheel and Future Mapping are very similar. They follow the mechanism of identifying the Future, defining the milestones (and obstacles) and then creating the roadmap to actualize the future. I would like to point out that first step of defining the future is of Forecasting nature in Backcasting wheel method, whereas it is of envisioning nature in the Future Mapping method. Although, I believe that it is more practical to have a practical grounding to our future envisioning. Thus, I would personally feel confident if we approached defining the Future from Forecasting perspective.

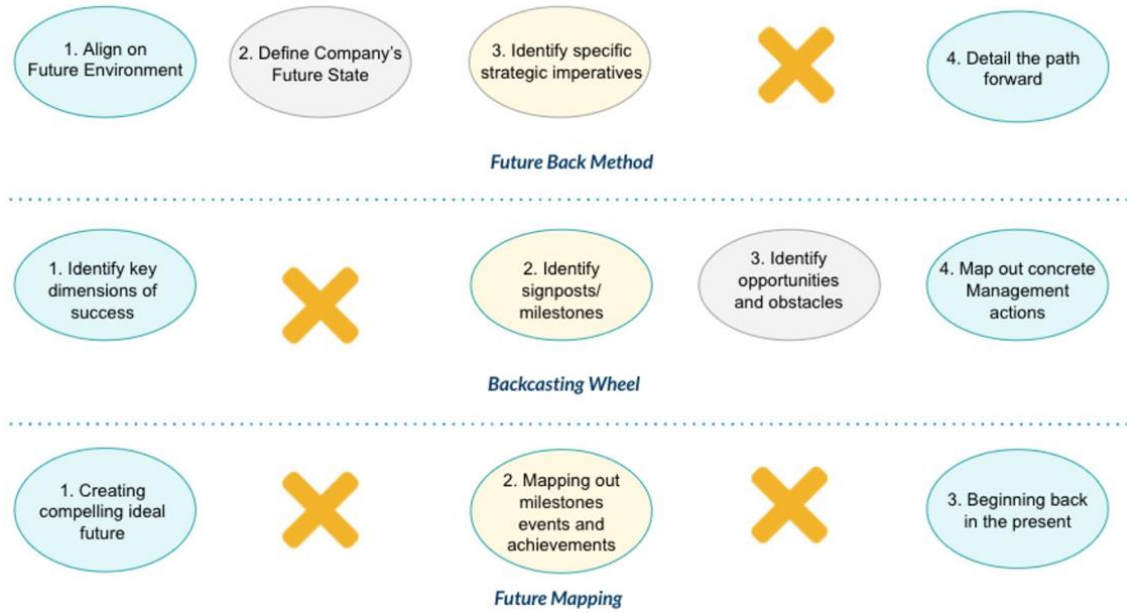


Figure 5: Comparing the 3 Future Methods

#### Perspective 2:

After retrospection, I believe that the Future Back Method is more robust. Primarily because there are two distinct steps of defining the Future Environment and then actualizing what the Future would be for the company. In reality, this is what happens. First, we try to forecast the future and then map company's future state within this future.

#### Perspective 3:

In the Backcasting Wheel Method, Step 3 of identifying opportunities and obstacles would be a by-product of Step 2. As most of these methods will be used in a workshop style session with the executives, it will be dialogues based and most often the discussions will lead to the obstacles and pitfalls. Although, it is a good step in the hindsight but not a necessary core step for defining Company's Corporate Entrepreneurship Strategy.

#### Conclusion of the Comparison:

I had branched out to a few different Future Methods to be pragmatic in my approach while building this framework. While considering 3 methods, I rounded back to the Future Back Method defined by Anthony, Gilbert and Johnson (2017).

In the next step, I will be trying to understand Future Method from Dynamic Capabilities perspective.

### 3.2 Foresight Method based on boosting Dynamic Capabilities

I had chosen frameworks for strategizing based on Foresight Practice. It was important to walk on the other spectrum and understand Foresight from a Dynamic Capabilities perspective. The framework developed by Ojasalo, Koskelo and Nousiainen (2015) discusses a framework on the method to boost Dynamic Capabilities combining Foresight and Design Thinking. Ojasalo, Koskelo and Nousiainen (2015) explains how dynamic capabilities are operationalized with Sensing and Seizing. In fact, the nature of Sensing and Seizing is of Foresight Practice and very much attuned with our understanding of Strategic Flexibility. As I had earlier discussed the opinion of Shimizu and Hitt (2004) on Strategic Flexibility. They describe it "as an organization's capability to identify major changes in the external environment (eg: introduction of disruptive technologies), to quickly commit resources to new courses of action in response to change, and to recognize and act promptly when it is time to halt or reverse such resource commitments". This is an important imperative for the new competitive landscape that has taken form, mostly driven by advancements in information technologies and increasing globalization. Moreover, the ability to quickly identify strategic imperatives and deploy resources for a new course of action, operationalizing new opportunities ahead - is Dynamic Capability of a firm.

#### **The Framework**

The framework allows to define the Service Innovation process. But I believe that the framework is a great blueprint of thinking not only about a service but at a meta-level of strategy. It provides a great lever for defining a Corporate Entrepreneurship's strategy process.

The framework has four distinct phases of:

1. Map and Understand
2. Forecast and Ideate
3. Model and Evaluate
4. Conceptualize and Influence.

The framework combines an eclectic mix of tools and methods, which only encourages more noble, innovative, and disrupting views to come about. Although as pointed out by Ojasalo, Koskelo and Nousiainen (2015) that the process is rarely linear. It is more so iterative process.

The process follows more of an approach of Sensing and Seizing. The beginning of the Framework is more of Sensing, followed with Seizing and Implementing. Ojasalo, Koskelo and Nousiainen (2015) encourages to engage current and future customers/users, staff members, other stakeholder, and experts from the field co-designing service. In this case,

we must encourage different stakeholder to co-create the strategy together. Even encouraging middle managers, Customer Success teams, Marketing and Sales team to participate together in the discussion.

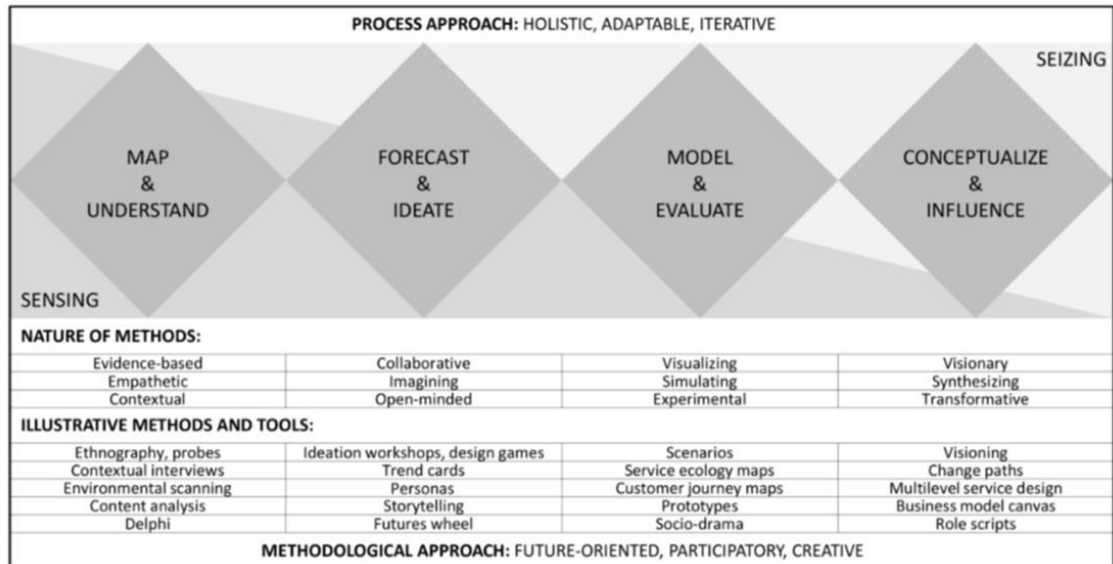


Figure 6: Framework for Foresight and Service Design for boosting dynamic capabilities in Service Innovation Ojasalo, Koskelo and Nousiainen (2015)

### 3.2.1 Gaps in the Earlier Frameworks

The Framework approaches operationalizing Dynamic Capabilities from Foresight and Design Thinking, which makes it unique as it keeps the user or customer at the center of the change.

The other frameworks mostly discuss about the external environment, future landscape and future possible trends. There was a complete absent of the user from the discussion. When we discuss Futures, most discussions tend to materialize towards the technological change, business model change and other changes at a meta level. In such discussion, we miss the actual tangible element, who will be consuming and using this change – the user or consumer. But the framework developed by Ojasalo, Koskelo and Nousiainen (2015), enabled in approaching to operationalize Dynamic Capabilities through Foresight and Design thinking, while rooting our perspectives in users' desires and pain-points.

Moreover, this framework had both Futures Thinking and Design Thinking as a common ground. Both the thinking school has similar principles. Both the though schools allow for a more enriched Innovation Strategy Process, in this Corporate Entrepreneurship as an Innovation Strategy.

**First**, both are Future-oriented. Not only Futures Thinking but also Design Thinking enables to think, create, and form for the future - to make existence of what does not exist yet. **Secondly**, both the process is more oriented towards Seizing opportunities. They both are creative problem solving and a constant dialogue of divergence and convergence. And **third**, both are of participatory in nature. It allows different stakeholders to participate in a dialogue together about the probable future and how to seize it. As Fraser (2010) mentions that imagining is the key issue, which allows the leap from the observable to the implementable, satisfying the unmet needs.

When critically assessing the framework developed by Ojasalo, Koskelo and Nousiainen (2015), it added 3 dimensions on top of the Future Back Method defined by Anthony, Gilbert and Johnson (2017):

#### *1. Ideate*

The element of Ideate allows one to choose and construct a Future. This enhances the ability to be creative and imaginative. This is critical for an innovation process as most often technologies, business models and services come about because of experimentation and radical approach.

#### *2. Model and Evaluate*

Model and evaluate gives a scope for visualizing a solution, I believe this is a great step before Conceptualizing and influencing. It allows for the future solutions to show in detail its nitty gritty. It chalks out vivid picture and erases out details to make it feel possible.

#### *3. Influence*

The idea of influence is of utter importance in the Corporate Entrepreneurship world. Most often than not, corporates launch portfolio of Corporate Entrepreneurship activities aiming for the moon-shot. Innovation Managers must influence and negotiate with multiple stakeholders to get a sign-off on their project or chosen strategy path. I believe it's of utmost importance to have Influence as the closing off stage in developing a Corporate Entrepreneurship Strategy. It allows to be facilitating meaningful discussions within the corporate to ride a change path.

### 3.2.2 Conceptualizing the Corporate's Entrepreneurship Strategy Framework

In this phase, taking in the literature review, analysis of different Futures Thinking model, I have now taken a creative leap to form an initial consulting framework. This allows to tie down to a logic space and then iterate further from here.

Below is the Framework, which has been conceptualised by me for the development project of the thesis. While designing this framework, I have kept few viewpoints in mind:

- My conceptual framework should adhere to the basic principle of Futures thinking consisting of the phases of Sensing, Sense-Making and Seizing (below most row).
- The Framework should allow an elaborate Calibration phase of the current state and then have a projection towards the future. Thus, the framework allows an elaboration phase of Where We Are i.e. the current state followed by the desire state and how to proceed towards it.

		Where We Are			How To Proceed	
Phase	1: Understand Current State	2: Map Future Environment	3: Define Company's Future State	4: Identify Strategic Imperatives	5: Conceptualize to Influence	6: Define Path Forward
Objective	Innovation Audit of Current State	Scanning and Sensing Future Trends	Designing a Desirable Innovation Objectives	Identifying Key Areas and Metrics for Innovation Investment	Visualizing to Influence Change	To align on Strategic Priorities and Roadmap
Nature of Methods	Evidence Based Research, Contextual Enquiry, Quantitative Data	Evidence Based Research, Contextual Enquiry, Quantitative Data	Dialogue-Based (Dual Transformation), Collaborative Workshops	Strategic Collaborative Discussion, Co-Creation, Visualization	Dialogue-Based (Dual Transformation), Collaborative Workshops	Strategic Collaborative Discussion, Co-Creation, Visualization

Methods and Tools	Innovation Audit Survey, Contextual Enquiry, Company Reports	Environment Scanning, Trend Research, Delphi Method, Data Analysis	Trend Cards, Ideation Workshops, Futures Wheel	Desirable Innovation Archetype, Choosing Organisation Designs (for Innovation), OKR	Scenarios, Visioning, Change Paths	Prioritizing Near-Term Strategic Initiatives, Governance and Structure, Implementation Roadmap
	Sensing		Sense-Making		Seizing	

Table 2 : Initial Conceptual Service Framework (designed for the thesis)

### Two-Fold view of the Framework

The conceptual framework to develop a Corporate Entrepreneurship Strategy follows a two-fold method. The first fold discusses in rooting the understanding about where a particular Corporate is at, to where it can head to. All three Forecasting Strategy method of Future Back (Anthony, Gilbert, Johnson 2017), Backcasting Wheel (Bengston, Westphal, Dockry 2020) and Future Mapping (Philips 1996) follows a path where is starts from where a Corporate is at, to where a corporate can be.

The loose path is through:

- Sensing: the future Environment
- Sensemaking: of what it could mean to the corporates, what portfolio of activities, strategy it should adopt.
- Seizing: prioritizing, governing, and road-mapping to the future.

### Stage 1: Understand Current State

Stage 1 consists of understanding the current state. It allows to draw picture of the current state through evidence-based research, contextual enquiry, and quantitative market data. It allows to capture the current state of the company and the immediate business context.

### Stage 2: Map Future Environment

The nature of study is same as stage 1, but it tries to draw an honest and elaborate picture of the future. By visualizing and painting with data- what the future might hold, corporates are more equipped to navigate the future better. It helps to grasp the market changes, future technological wave, societal structure and what might the corporate steer towards.



Both stage 1 and Stage 2, together makes up the Sensing ground for developing a grounded Corporate Entrepreneurship strategy. This two stages, helps to sense the present and future and accordingly drive their strategy.

### **Stage 3: Define Company's Future State**

The Future business environment can reveal what is possible for the company and what is not. This allows us to inspire and decide on what the company's future state should be. It transpires discussion of foresight value and the embodiment of what the corporate products, services or business models be like. This stage involves co-creative, and dialogue based strategic discussions. Stage 3 ties the Stage 1 and Stage 2- together in understanding what is the company's future state in the landscape of entire future business environment.

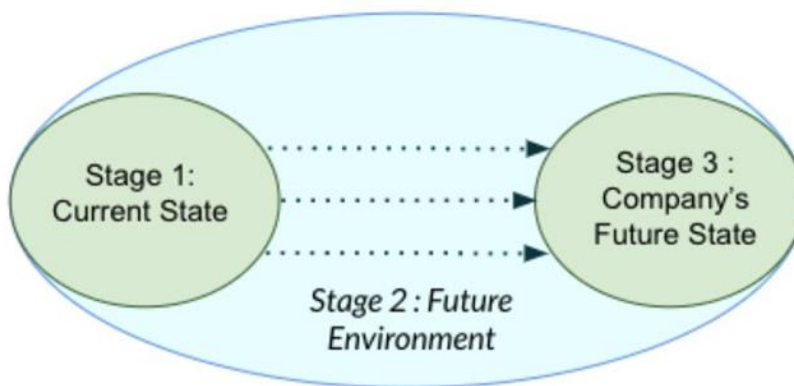


Figure 7: Moving from Present to Future state

#### Stage 4: Strategic Imperatives

The step 4 involves in drawing out the strategic projects and path that will help the corporate move from present to future ideal state. This relates to the strategically important projects and imperatives, which form the core of the Corporate Entrepreneurship Strategy.

This step is crucial to the whole Strategy work, as it charts the path forward in the Corporate Entrepreneurship journey. It helps to identify what format and portfolio of activities the corporates need to develop to seize the Future. This is the point, where the entire seizing is strategized, keeping in view the future business environment.

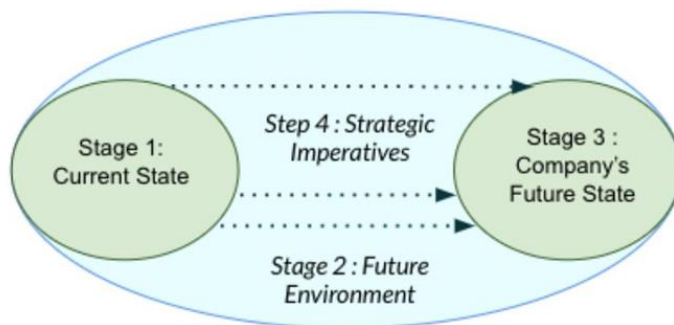


Figure 8: Seizing the Future with Strategic Imperatives

#### Stage 5: Conceptualize to influence

This step can be optional. It is not an absolute necessary to define the roadmap for the future. This is more of the step where we create visuals of the strategic imperatives to drive change. While working in Corporate Innovation as a consultant, I have often noticed that visuals and visual cues of the future- orchestrates real action and change movements in organizations. The visuals become almost a stirring and starting point to bring about a change.

I believe it is important to develop such artifacts to influence change. Leading an organisation or a department through a change, is sometimes difficult. Innovation Managers often must influence, negotiate, and constantly inspire to bring about action and break inertia. The change imperatives, when articulated through visual artefacts – can move lower and middle managers to get inspired and take the up the ownership in the change movement.

#### Stage 6: Define Path Forward

The last stage of defining the path forward involves prioritizing strategic imperatives, projects amongst a portfolio of activities. Moreover, it involves developing a roadmap which

move the company from a particular present state to the desirable to future state. The methods adopted at this stage is of dialogue and collaborative discussion in nature. It helps to priorities the near-term strategic initiatives, Governance and Structure of the strategic projects and the Implementation Roadmap.

Developing the roadmap with timeline and milestones – creates a definitive path of change. It sets out a clear path of objectives and goals to align with. It transcends the strategy to a real-time, action-based work for each member and departments involved. As a consultant, I have seen Innovation Directors and Department Leads often creates OKR based (Objective Key Results) Roadmap to ensure the team is on the right track.

### 3.3 Critically Assessing the Framework

The Conceptual Framework Stands on the main three pillars of the Futures Thinking, i.e: Sensing, Sense-Making and Seizing. While each of the phases are further divided into 2 buckets. The Sensing phase two parts to it being: Understand Current and Map Future Environment.

On the light of assessing the framework, I have taken the hypothesis, questions and assumptions to my Empirical Research and tried to find answers. The answers will then cater to form the Design Principles, which will eventually be the foundation on which the Framework will be reworked to develop the final Service Framework.

#### **Self-Auditing on Innovation Quotient**

Understanding current state is a difficult venture for the Corporate as Business Environment is always in flux and changing. Moreover, with my experience as an Innovation Consultant- I have observed that Corporates rarely engages in such activities, as it is considered time-consuming and not at all resulting in any revenue growth. But they would often engage in an activity such as auditing their Innovation-Quotient with an external Consultancy. For example, BCG has a consulting Service framework called the Digital Acceleration Index (DAI). With BCG's Digital Acceleration Index (Boston Consulting Group 2021), companies can assess and compare their digital performance with Competitors and peers. It becomes crucial to understand how much of assessing and auditing their own Innovation Effort be done in-house and how the current practice looks like in the practical floors.

#### **Qualitative Research in Corporate Setting**

Another aspect in the first phase of the Framework depends on Qualitative Research and In-depth interviews to audit the Innovation quotient of a firm or Understand Current State of the Firm. The methods and the tools used in this phase has been inspired by the Innovation Sprint by Board of Innovation (2021). The nature of the tools in their Service Solution has been

Qualitative nature. Mapping this to my professional experience, Corporate rarely depends on measuring themselves on what is their opinion about themselves. They would often base it on revenue, awards, valuation, quantified market research, etc.

### **Mapping The Future Environment**

Future is something, which is held in sceptical mind for business leaders. According to Mankins and Steele (2006) in the Harvard Business Review article of “Stop Making Plans, Start Making Decision” - they talk about how C-level executives and business leaders finds that strategic planning is completely useless. Companies often define their yearly strategic plans and often siloed into their own department. One CEO of a manufacturing company found reviews from participants in the strategic planning session as: “It’s at too high a level”, “Its disconnected from the way we run the business”. Often talking to people within the industry one finds Futures Thinking is not very well-accepted and for the very same reasons as being very “abstract”, high level and not practical and as well to far from the business and goals they need to achieve. So much so that often business leaders do not want to think about the future and solve immediate customer pain points. But my argument is when a new entrant starts gaining acceleration under the hood and take over an incumbent - is not seen with open eyes. Often major weak trends go unnoticed to the eyes of big corporates. Although my work as an Innovation Consultant have seen days where changing how people think and operate within a corporate in excruciatingly difficult. Thus, it is also critically important to assess the readiness of Futures Thinking adoption within Corporates. Moreover, it would be equally interesting to figure out if Companies carry out similar activities like Market Scanning, Trend Analysis, etc. as part of their Market Research. These practices also overlap with the Futures Thinking Mindset.

### **Defining Future State**

In the Framework, the Phase 3 has been utilizing tools like Trend Cards, Ideation Workshops, Futures Wheel. Although these are very creative and collaborative workshop tools that can be used to materialize what the vision of the company is, it looks too complicated and distant from the way actual strategic discussion are led within corporates. It mostly feels very creative and could be easily accepted within Advertising Firms, Creative Agencies and Design led companies like AirBnB, Apple, Adidas, etc. It would be difficult to lead a group of C-level executives in the Pharma, Supply-chain, or Manufacturing industries to lead in a workshop using very creative tools like Trend Cards, Ideation Workshops, Futures Wheel. The Empirical Research should also try to gauge and get opinions on how strategic discussions are led, decisions are made, and strategic roadmap formulated. Would it adhere to the tools and Methodology prescribed in the Framework?

### **Defining Strategic Imperatives**

Most often Company's Vision is formulated somewhere else and "how to get there" or the Strategic Imperatives are defined somewhere else. They do not happen at the same place, under the same roof, in the same boardroom discussion. Most often, the C-Level Executives and the Board Members define the Company's Strategic Goals and Vision, later this is translated to documents and reports to share it with the Department Heads. The Department Heads then breakdown this high-level strategic vision into tangible roadmap, initiatives, and programs. The research phase would reveal if this were the practical steps for all organisation or depends how each of them operates with strategic goals. Moreover, another aspect would be interesting to find out is the powerplay of decision making. How and where decisions are made, whether it's ever challenged and how its influenced.

### **Framework Phases**

Although the phases of the framework have been designed with a particular workflow in mind, it might be possible the phases do not fit all organisation. For example, in certain organizations, Phase 3 (Define Company's Future State) and 5(Conceptualize to Influence) will be together and then followed by Phase 4 (Identify Strategic Imperatives) and 6 (Define Path Forward). The reason being, most Executives need to chart the Strategic Vision of their organisation and at the same time - inspire the whole organisation to adopt this vision within their department and daily agenda. Most often they use Presentations, Value proposition, Vision statement etc. to influence and inspire change. It would be interesting to study how these are translated within organizations - do they use certain methods or assumed to be taken seriously by all people once the strategic vision has been shared within the organisation. Do they also take tactical steps to Influence Change? What mindset and Methodology do they use?

By critically assessing the initial Conceptual Framework allows to navigate the Research objectives of the Empirical Phase of the development work. The Empirical Research phase has broader thematics, within which there are laid out few open-ended questions.

Broader Themes	Thematic Questions
Self-Auditing on Innovation Quotient	Whether Companies self-audit themselves on their Innovation quotient? Is it done in-house or outsourced to external consultancies ?
Qualitative Research in Corporate Setting	How corporates use qualitative research to map themselves in their business setting and in comparison with their peers?
Mapping The Future Environment	How corporates view their “future” and strategize for it? Do they envision working with concepts like Trends and Environment Scanning as “high-level and abstract”?
Defining Future State	How strategic discussions are led, decisions are made, and strategic roadmap formulated?
Defining Strategic Imperatives	Who defines Strategic Imperatives versus the Strategic Vision? How and where decisions are made, whether it’s ever challenged and how its influenced?

Figure 9: Broader Thematics and Empirical Research Objectives

### 3.4 Design of Empirical Research

The objective of the Empirical Research is to understand if the initial conceptual framework developed would be meaningful in the practical business environment. The analysis and critique of the framework raised few questions. My aim with the empirical research and the in-depth interviews is to find answer to these questions and develop insights. These insights will be used to formulate the Design Principles.

Figure 9 show the journey of how we arrived from Literature Review to the Final Conceptual Framework. Literature Review laid the foundation of the initial Conceptual Framework. The critique and analysis of the Conceptual Framework allowed to form the Empirical Research Questions. Analysis of the Empirical Research phase will provide insights, on Design Principles will be formulated. The Design Principles will be devised to develop the final Conceptual Framework of the service. The Design of the Development work follows very closely with the Constructive Research Methodology.

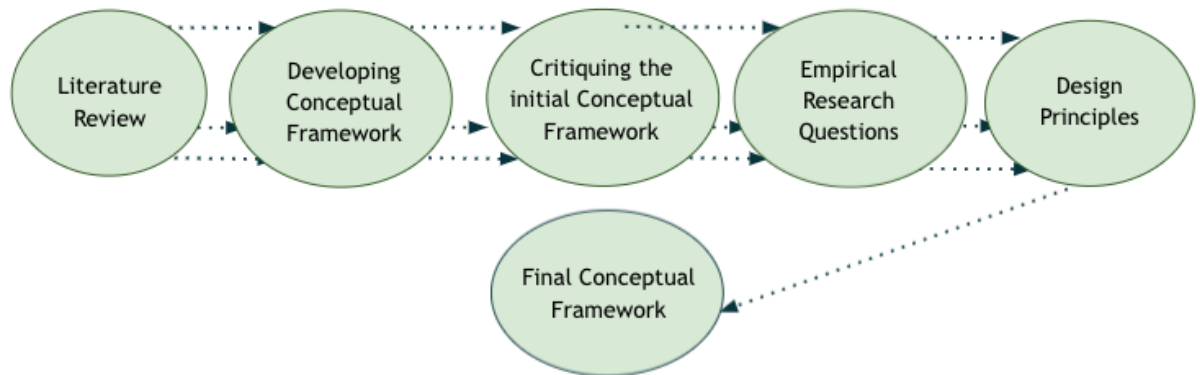


Figure 10: Conceptual Framework to Design Principles

#### 4 Research Methodology

Research Methodology used in this thesis is of Constructive Research in nature. Oyegoke (2011) mentions that Constructive Research is used to frame the problem and solve for it. Sometime, the Constructive Research Methodology is to improve an existing system or performance. As Oyegoke (2011) mentions “Constructive Research can be characterized as applied studies which often result in new knowledge in the form of normative applications”. Thus, it fits my thesis purpose very well.

Constructive Research Method is not a new approach, it has been used inevitably in creating new products, creation of a new treatment in clinical medicine, or a budgeting system in accounting or be it artificial intelligence (Oyegoke 2011). Constructive Research method caters to creating a new system and process. It facilitates the design of a construct. And Kasanen et al. (1993) defines construction to solve a problem. In my Development work, I am solving a problem by designing a construct. The problem being, in my professional practice I have rarely found a comprehensive tool which companies can use to define their Innovation Thesis based on Future Thinking. My development work aims to develop a framework for it. The framework can be used by companies and consultancies alike to form their Innovation strategy. As this is a completely novel construction and design of a Process, the Constructive approach would tie the problem and solution together with theoretical understanding (Oyegoke 2011).

##### 4.1 Mechanism of Constructive Research Method

The mechanics of a Constructive Research Methodology is based on six phases as described by (Oyegoke 2011).

### **First Phase: Finding a Practical Problem, which has potential for Research Contribution**

The problem can arise from a client work, recent project, dissatisfaction faced by clientele, etc. the problem can necessitate from the practical and industrial work, which must be substantiated by the literature study. The major gaps can be solidified from the literature review (Oyegoke 2011).

### **Second Phase: Obtaining a broad and general perspective on the topic**

After identifying the area, which one wants to investigate- a theoretical and literature review needs to be done through several studies, which is proposing novel way of solving the problem. A comparative synthesis from similar and differentiated branches should be carried out to - to gain a whole spectrum view (Oyegoke 2011).

### **Third Phase: Devising a novel construct**

The Constructive Research phase in this phase suggests conducting the Empirical Research, primarily consisting of in-depth interviews. The literature review gives a thorough understanding of the phenomenon, and the practicalities, nuances and gaps are then formulated to be researched through the in-depth interviews.

For the thesis, I will be focusing and working till this third phase of Designing a new Construct, or in my case a new Conceptual Framework for Innovation consulting services. The fourth phase onwards is out of scope for my development work. Although, I believe it's equally important to describe the cycle of all the phases, so that my audience knows how typically the Constructive Research works, as the last 3 phases will be carried out as part of ongoing work in my professional life as an Innovation Consultant.

### **Fourth Phase: Demonstrating that the new Construct devised, works in practice**

The beauty of Constructive Research lies in the fact that it links the practical and the theoretical underpinnings quiet well. Once the Design Phase (third phase) is over, the next step is of validation. This can be conducted through a case study, where its practical usage, gaps and violation can be studied further. In case, Case study is not possible, then Survey methodology can be used to study the new construct.

### **Fifth Phase: Establishing the Theoretical Connection and the Research Contribution of the solution concept**

The Theoretical connections should earlier be drawn to the Literature Review, gaps need to be identified and addressed through the design of the new construct. The critical problem should be chosen and investigated in-depth, which will reveal and add to the body of knowledge already existing. This phase, require making more clear connection to how the



gaps in the literature has been answered or contributed to the body of work. Also, the novelty of the application should also be discussed (Oyegoke 2011).

**Sixth Phase: Evaluating how the solution could be applicable**

The last phase contains how the theoretical contribution could be related to the actual practical world. Although the Constructive Research Methodology could use Theory-Testing approach to the validation process, but the Constructive Research Methodology does not depend solely on Theory-Building and Theory-Testing; rather it has a stronger connection to finding solution for the practical problems. The latter is more fundamental and crucial to the Constructive Research Methodology.

According to Eisenhardt and Graebner (2007), firm empirical research beginning with strong relational establishment with the related literature, identifying a research gap and proposing empirical research questions and answer it with a new construct which contributes to the Theory-building process. This step is crucial to the whole process and makes a more wholesome contribution to the Research, although because constraint of the study limit, this is phase has not been discussed in the thesis.

Figure 11 shows the whole process of the Constructive Research Methodology by Oyegoke (2011) in his seminal work in “The constructive research approach in project management research”.

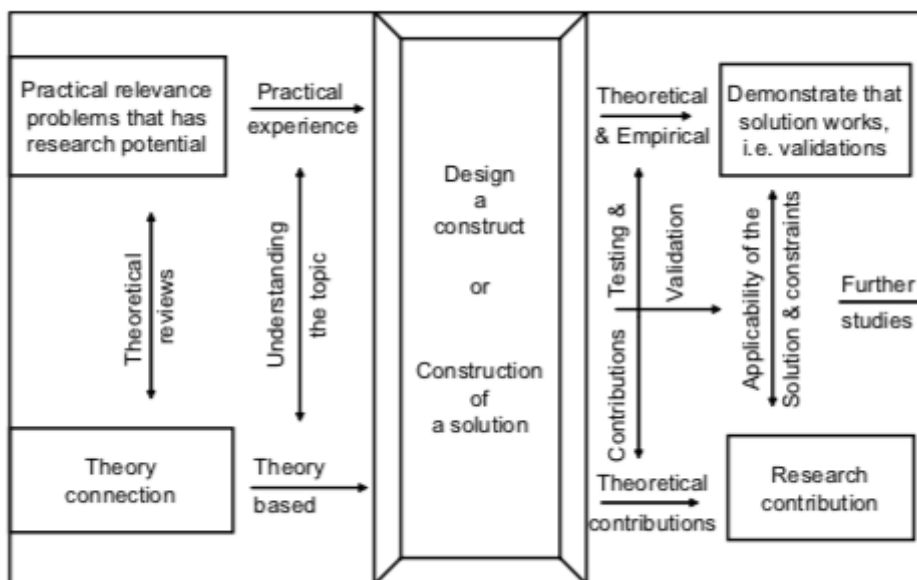


Figure 11: Phases in Constructive Research Methodology by Oyegoke (2011)

The core of the Constructive Research Methodology is the development and design of a Construct. In the case of my development work, its pertaining to developing a Conceptual Service Framework, which Consulting Services and Innovation Consultants can use alike to serve their corporate clients to develop an Innovation Strategy based on Futures Thinking. In Design Thinking (Design Council 2015; Stickdorn, Hormes, Lawrence & Schneider 2018), the key process is to understand a problem and then design to solve the problem. Thus, it overlaps with the phase of understanding a problem and then designing or developing a construct.

The research phase was designed very precariously in terms of the interviewees being recruited. A series of Semi-Structured interview were conducted to facilitate the interaction between the researcher and the informants. Questions were designed and chosen based on the Empirical Research goals, as described in Figure 9.

#### 4.1.1 Constructive Research and Double Diamond of Design Thinking

The Figure 14 shows the classic design process and highlighting the essential use of qualitative methods in each of the phases.

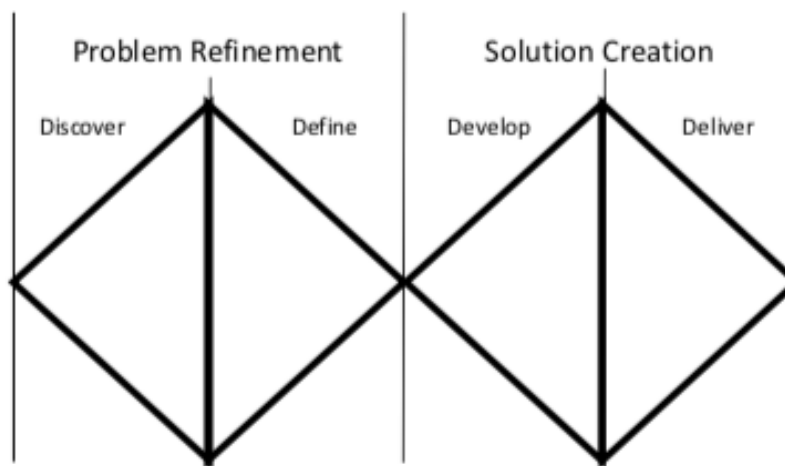


Figure 12: Double Diamond method of Design Thinking (Design Council, 2015)

There are many flavours to this particular methodology like the one by Brar (2020). Broadly, there are two main phases through the Double Diamond Process can be viewed: **First**, Problem Refinement and **Second** being, Solution Creation.

The combination of Constructive Research Method along with Design Thinking method have been inspired by the master's thesis work by Mac Laverty (2021). Although the broader

inspiration has been taken from his work, but the design of the Development work is strikingly different. The Development work in the thesis follows a method as discussed in Figure 13.

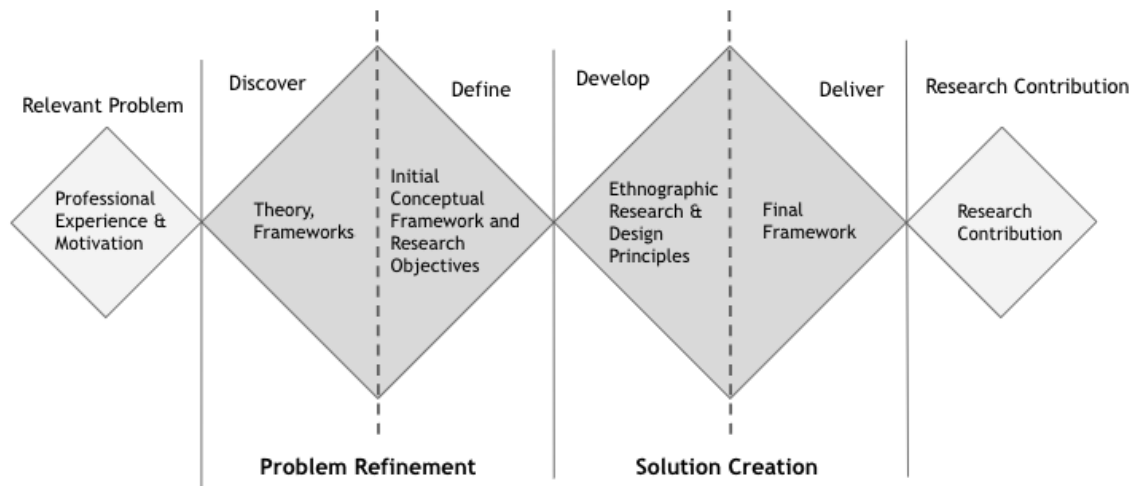


Figure 13: Process adopted for the Development work

#### 4.1.2 Process adopted for the Development Work

The process adopted is the double Diamond method grounded in Constructive Research Methodology. The process evolves through Problem Refinement and Solution Creation. As the process of Constructive Research centres around identify a practical problem space worth solving for, which potentially has research contribution.

**The First Phase of Relevant Problem:** evolves through understanding what is the relevant problem area. The problem identification happened through my professional journey as a Innovation Consultant. It led me to understand there is a clear gap in tools for corporates to define their innovation strategy based on Futures Thinking. Most often Corporate were defining their strategy based on PESTEL, OKR, roadmaps, etc, while they lacked a robust and comprehensive tool to guide their senior leader for a Corporate Entrepreneurship strategy building tools, which incorporates Futures Thinking.

**Second Phase of Discover:** involved literature review primarily in Corporate Entrepreneurship, Dynamic Capabilities and Strategic Foresight. This knowledge grounding phase allowed me to gather as much knowledge in the academic literature as well as industry publications like Harvard Business Review, Forbes, etc. Moreover it helped to navigate through the excellent body of work produced senior business leaders like the book by Anthony, S., Gilbert, C., & Johnson, M. (2017) called the Dual Transformation - “How to Reposition Today’s Business While Creating the Future” or the one by Bengston, D.N., Westphal, L.M. and Dockry, M.J., (2020) named as “Back from the Future: The Backcasting Wheel for Mapping a Pathway to a Preferred Future”. In this phase I analysed frameworks, critiqued them, and found out gaps which are essential for my study to answer.

**Third Phase of Define:** I took a creative liberty, grounded on my academic and industry literature review to form an initial framework for the service concept. Moreover, according to the Double Diamond Method in this phase of “Define”, Designers take creative leap through ideation methods to define a Design Concept. The initial framework allowed to define and scope the strategic thematics for the Empirical Research Phase. The framework allowed to charter out the strategic broad themes and probable questions, which needed answer to deliver a more concrete and rationalised framework. This phase is very crucial to the development work, like any other design projects.

**Fourth Phase of Develop:** in this phase the gaps in the initial framework allowed to form the Ethnographic Research Thematics. The Empirical Research phase was designed for a sample of 12 Informants whose expertise lie in Corporate Entrepreneurship and lead strategic initiatives within organisations. The analysis of the in-depth interviews formed the insights which lead to the Design Principle of finalising the Final Framework.

**Fifth Phase of Deliver:** This phase is designing and finalising the construct of the Framework of the service concept. The process being followed is very aligned with the Constructive Research Methodology, where the problem definition and research leads to finalising the construct. In the Researcher’s development work, the construct is the Framework of the service concept.

**Sixth Phase of Research Contribution:** In this phase, I tie back the final framework and its contribution to academic literature and how it answered the gaps that initially was identified. Moreover, this phase makes the Constructive Research Methodology very complete and wholesome.

#### 4.1.3 Research Setting

The choice of Research has not been tied to a particular organisation and environment as it would limit in understanding how corporates generally operate within their objectives of Corporate Entrepreneurship. To study a phenomenon more generally, it required to have an in-depth interview with informants belonging to various kind of organisation, bringing in their diverse point of views.

Informants were chosen from Corporates, which were very large to moderate in size. Some of the informants were chosen to be from the Innovation Consulting side and some were more open but had a tangential contribution to Innovation metric in their organisation. The main common thread to all the Informants were:

- They are leaders in their area of work, taking part in strategic level discussions and decision-making.
- They are working in the field of Corporate Entrepreneurship

- They have a background in Design Thinking or knowledge of the framework
- And as people, they are open to new knowledge, creative mindset, and tools of working

The reason of including the last two points of professional (/educational) background in Design Thinking and being open to new knowledge in selecting the informants, is due to my professional experience. I have learnt it through tactical projects and work experience, the more an informant would be open to innovative and creative way of working, the more the informant would be open to discuss and shares his views on Futures Thinking. At the end, both the thinking belongs a school of thought, which is not grounded in quantitative mathematical proof. Often in Corporate setting, there is lot of biases and opinion around such methodology. Although discussion around this topic of corporate acceptance to new methods is out of scope of the thesis, but it was equally important to keep this knowledge in mind while recruiting for informants.

#### 4.1.4 Access to Informants

Informants were chosen by the Researcher based on the profiling information shared on the above section. Most of the informants were professional connection of the researcher. One of the informants was also an ex-colleague of the researcher. All the informants were connected through LinkedIn and then scheduled a one-to-one video interview on Google Meet. Although, it is necessary to share that recruiting was one of the most challenging experience in the development work. Most of the informants were leading very fast-paced jobs - dedicating time on the side of their work for the development work was quiet challenging for the informants. Most of the informants would cancel last minute, even confirming 2 hours earlier whether they would be willing to join the call. It would be under-rated to mention that the Researcher found it quite difficult to complete the set of in-depth interviews she had intended to set out to do. If the Development work and the In-depth Research would have been carried within one Case Organisation, it would have eased out the process, but it would not have what the Researcher wanted. She wanted to study across sectors, roles in Innovation and Seniority in Corporate Setting and Consulting Organizations. Some were reluctant because of the nature of the job. For example, one of the informants who was contacted, works a Foresight Expert in the German army. Another works as part of a Foresight Team in the German Prime Minister's Team. They politely refused to be interviews as it would be very sensitive, for the nature of work they are involved in. Although it would have been spectacular to understand how Government bodies are using Futures Thinking devise Innovation Plans and Governmental Stratgey, but it had to be dropped and respected. Nonetheless she is grateful to the Corporate Entrepreneurship ("articulated as "Corporate Innovation" within Corporate Setting) Professionals, who came forward to discuss her with all the necessitated questions for the Researcher to design her final construct.

#### 4.1.5 Data Collection and Recording

The goal was to carry out a series of in-depth interviews ranging from 45 mins to 60 mins. Some interviews went beyond 60 minutes. The interview followed the broad thematics mentioned earlier in Figure 10. The sample size of the interviewees was 10.

The Thematics had been kept similar for all informants but had been adjusted to base on their job role, seniority and experience with strategic decision making. Moreover the Thematics and the questions are semi-structured, it was not always necessarily followed if interviews were divulging information which is meaningful for the development work. All the interviews except one, were recorded using Movavi Software, which records both the video and audio of the interview. Informants were informed well-in advance that the interviews would be recorded and if they did not want to, it was respected (like in one case). All informants were informed about the study and probable nature of the strategic thematics. Questions varied from each informant to other.

Most if the informants wanted to keep their organisation anonymous and was advised not to mention the name of the organisation while recording the video. The use of phrases like “your organisation”, without divulging the name has been used generously across most of the interviews.

All the recorded videos were used to create the interview memos. Few of them, whenever the informants divulged very intensely packed information, they were transcribed. In transcription, it was consciously kept in mind to not explicitly mention name of any organisation.

#### 4.1.6 Nature of Informants

Informants are highly south-after professionals in their fields. Informants range from high-level executives in Visa, running large-scale innovation program to Director Innovation in Fidelity Investments. Although getting to interview everyone at a depth was quiet challenging for the researcher.

Many times, it so happened that informants would cancel last minute, even confirming 2 hours earlier whether they would be willing to join the call. It made it challenging for the researcher to complete the empirical research on time and with sustained motivation. Every time an Informant would cancel, the researcher would have to set out to find equivalently relevant Informants. Researcher had reached out to 57 Informants before being able to narrow down, filter and eventually successfully conduct research with 10 Informants.

Following is the portfolio profile contributed to the research:

- Strategic Design Manager, Airbus

- Head, Innovation and Startup Partnerships, Swissnex
- Head of Product Innovation Europe, Visa
- Senior Design Consultant, Fractal Analytics
- Head of Asia Innovation Ecosystem, Fidelity Investment
- Manager - Customer Experience and Service Design, Qvestrad Financial Group
- Deputy General Manager - Consumer Insights, Brand and Strategic Insights Group, Godrej
- Technology Commercialization Manager, Chemical Recycling, Neste
- Group Data Strategy - Project Manager, Merck
- Head of Operations & Corporate Innovation, NUMA

The high-profile portfolio of informants allowed the researcher to gain an extraordinary knowledge in understanding the pain points for upper-management and middle-management. This has led to developing a framework, which is robust and flexible in adoption within Corporate Entrepreneurship (/ Innovation) across companies.

#### Findings

The research study has been designed in a manner, such that empirical research questions will inform the Design principles, as shown in Figure 14. This also means, that the Researcher had already strategic focus areas. Each focus areas had set of probing questions.

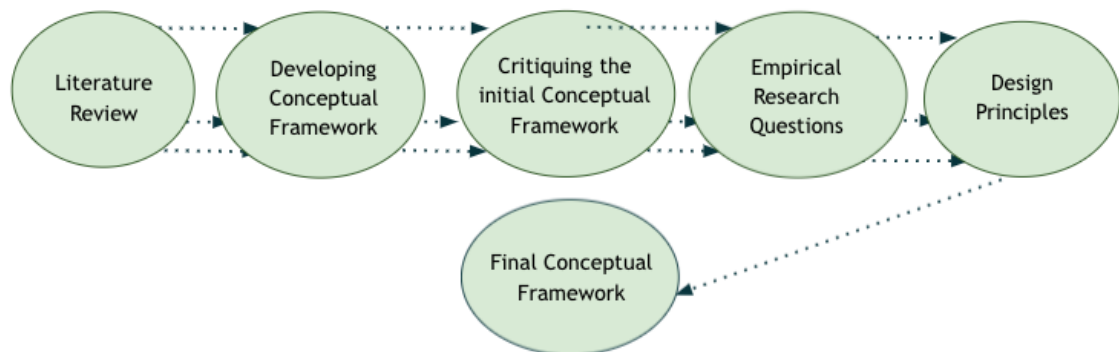


Figure 14 : Design of the Research Study

The strategic focus areas are:

- Self-auditing on Innovation quotient
- Qualitative Research in corporate setting
- Mapping the future environment
- Defining the future state
- Defining Strategic imperatives

After the empirical Research phase, each of the interviews were transcribed, and the key information nuggets were clustered around the strategic themes. From the clustering of codes, patterns were deduced. Later, these patterns informed the design principle for the new model. Miro software was used to analyse the interviews, code them and cluster them into themes. Below is an image of the snapshot of the MIRO board.



Figure 15 : Interviews coded and clustered against strategic themes.

#### 4.2 Finding and clustered to research questions

In the next step, the researcher tried arranging these sticky notes into pillars of strategic questions. The main action step in this phase was to analyse any emerging and potential foundational truth which will inform the Design Principle of the new model.



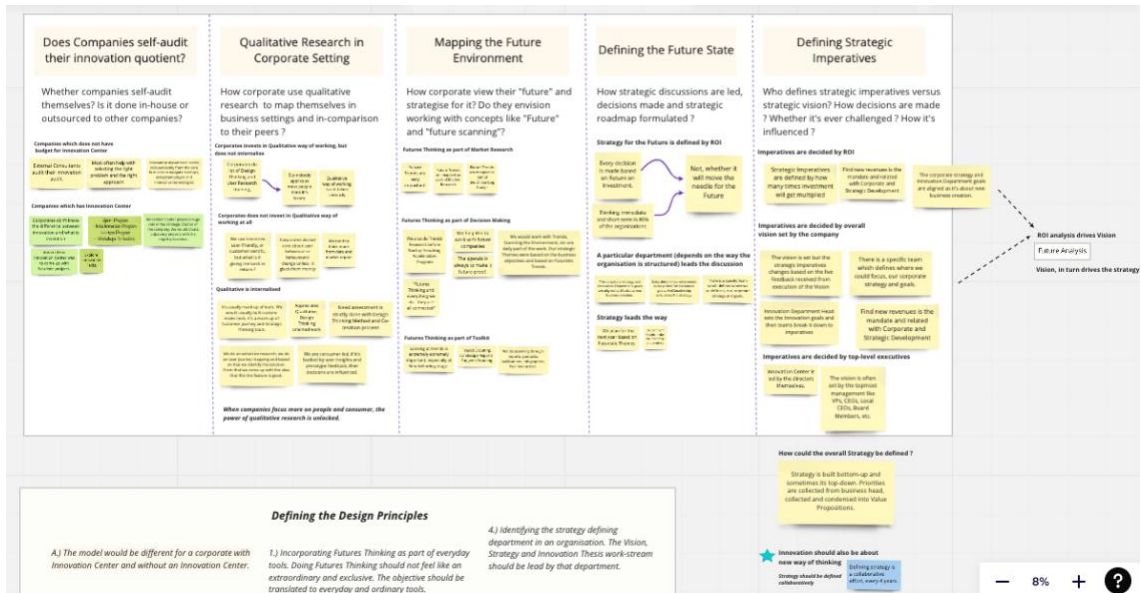


Figure 16 : Second phase of Interview Analysis

Above is the snapshot of Miro, containing the second phase of the interview analysis and deduction against the strategic pillars. The interview analysis was detailed and visited by the researcher over and again through several months to ensure that there is no researcher bias, though it is entirely difficult to say that any analysis is without any influence. But stepping away from it and seeing the study from fresh eyes over and again - has allowed the researcher to adopt creative leap of faith. Moreover, to free oneself from the air of judgement what has been recently told by the informants.

#### 4.2.1 Self-auditing on Innovation quotient

When informants were asked about the Innovation Quotient about their own companies, and how the companies audited themselves against innovation quotient - the answers varied significantly and depended on the organisation structure, size, and nature of work the companies are involved in. The answer was a critical step but might not be essential in formulating the new model, but it will inform the researcher in various ways of information. For example:

- Whether companies consider Innovation as a core consideration or not
- Whether companies need to innovate on a yearly basis or has a similar frame like 5 years or 10 years blocks in mind
- Whether they depend on external innovation agency to steer innovation
- If not, how they organise themselves to innovate
- And how organisations are dependent on external agencies to help innovate

Clustering these responses, two distinct buckets of responses emerged:

- A.) Companies who depend on internal Innovation teams
- B.) Companies who do not have a dedicated innovation department

#### **Companies who depend on internal Innovation team**

Companies who have an Innovation team in-house, not necessarily entirely depends on capabilities within. The main objective of their innovation team depends on capacities outside too. Although, most often they have a magnanimous charter and mandate to carry out. They centrally design the strategy and ensure that the charter is carried out in collaboration with groups of agencies and consultancies. In words of one of the informants “Vision of the Innovation Centre is to come up with futuristic projects.” Most of the Innovation centre defines the strategy, the strategic imperatives, and the roadmap. This is often carried out by the top-level managers in the Innovation Centre. The middle managers would then ensure that strategic imperatives are being executed with utmost diligence either within company or partnering with an external agency.

As one of the informants mentioned “Innovation Centre played a huge role in the strategic charter of the company. We would create adjacency projects with the ongoing business.”

As informed during the research, some sample nature of the strategic imperatives carried out are:

- Sprint Program
- India Immersion Program
- Horizon Program
- Accelerator Programs
- Startup and Technology scouting
- Workshops for leaders.

Despite heavy investment into Innovation Management, the researcher has observed that most informants shared the same ethos that “Corporates don’t know the difference between innovation and what is invention.”

#### **Companies who depend on external Innovation agencies**

During my professional tenure as Innovation Manager, I have worked as an Innovation Management consultant for several corporates. One of the main reason, top management executives rely on external consultancies are for external ideas, influence, and inspiration. Many corporates depend on innovation consultants to audit and diagnose their Innovation Quotient.

In later phases, these consultants devise a plan on how be at top of the innovation game in their industry. This design heavily depends on the industry trends, underlying organisation architecture and the overall corporate strategy.

Most often consultants help in identifying the right problem and the approach to solve the problem. But if the identified problem does not fit with the overall corporate strategy and mandate, buy-ins in later phases is explicitly difficult. Thus, this development project aims to create a consulting service framework to enable corporate clients to build their innovation strategy incorporating Futures Thinking, tied to the overall corporate strategy. If Innovation efforts are not unified with the overall strategy, then it's often faced with negligence from the top management.

This segment of understanding how corporates operate with their goals in Corporate Innovation in relation to external agencies (or not) - was key for my own context and to build out the Consulting Framework. The main takeaway is that

- At several level, corporates somehow always depend on external innovation agencies for speed, inspiration, and agility.
- Even if, Corporate Innovation consultants are explicitly carrying out their mandate on Innovation Goals completely independent of the rest of the organisational operations - it is essential to tie it back to the overall corporate goals and strategy.
- Involving upper-management and their concern in the consulting framework would enable higher buy-in from influential key personnel. This would ensure that the Innovation strategy is not lost in translation and diluted with the pile of other critical goals.

#### 4.2.2 Qualitative Research in Corporate Setting

In today's world of agility, it is rather important to be user centric. User needs change very often and rather its crucial to be meaningful to the consumers, organisation stay close to the user needs and demands. Although most companies understand the importance, not every organisation readily accepts and works with user centric methods like Qualitative Research Methods. Companies could be broadly divided into 3 main parts:

- Corporates does not invest in qualitative ways of working at all
- Corporates invests in qualitative way of working, but does not internalise it
- Qualitative research is internalised

**Corporates does not invest in qualitative ways of working at all**

Most often, corporates are concerned what might be the investment in return in thinking and implementing customer-centric ways of working. As one of the informants very articulately puts it- “Corporates do not care about the user behaviour or behavioural change unless it gives them money”.

And another informant mentioned that the insights drawn are more from user reports and market research. As he mentioned “We tend to think more from data and market report”.

While working as an Innovation Consultant, most often it felt that companies felt more encouraged and backed when the information came from a data perspective rather than from a qualitative and pure open-ended discovery and exploration of user problems. These organisations almost never invest in upskilling or investing

### **Corporates invest in qualitative ways of working, but does not internalise**

Most companies ensure that there has been investment in upskilling their workforce in Design Thinking and qualitative ways of working. In my empirical research, most often informants belonged in companies where they invested in qualitative ways of working but never internalised it. The organisation holds the prejudice that “its luxury to invest and decide on basis of qualitative thinking”. As one informant as a Strategic Design Manager in Airbus, has to work with qualitative methods quiet often. She found it quiet frustrating that the upper management did not find it legitimate enough to base their decisions and more importantly product decisions based on user research. These companies do not pay any heed to qualitative ways of working, nor they invest or internalise it for their ways of working.

### **Qualitative ways of working are internalised**

There is another spectrum where lies the mash up of tools from customer journey to other strategic thinking tools. This organisation appreciates qualitative approach, design thinking and open-ended discovery-based work. As one of the informants mentioned that “we do extensive research, we do a user journey mapping and based on that we identify the solution. From that we come up with idea if a particular feature is good or not”. User research led activities are more found in consumer-led, user insights backed, prototype-feedback looped consumer products organisations. In these organisation user insights is key to business growth.

These organisations invest heavily in their working processes, design research and product development. Every way of working is with qualitative methods and is internalised strongly.

It is critical to understand before going into any form of consulting work, what kind of organisations is your client, their thought patterns, inherited and legacy belief system and systems an Innovation Consultant needs to work with.

Although, from being informed through the informants that they strongly believe “when companies focus more on people and consumer, the power of qualitative power is unlocked”.

#### 4.2.3 Mapping the Future Environment

One segment of the empirical research was investigated to find out if Futures Thinking could be used in the ways of working in the company. Concept like “Future” or “Future Scanning” is a way to envision if the Future could be methodologically strategized. After doing clustering of the responses received from empirical research, there has been three distinct manners in which Futures Thinking could potentially be used for mapping the future environment, and organisations use it quiet pragmatically.

##### **Futures Thinking as part of Market Research**

Companies use Futures Thinking often inherently and inadvertently as part of conducting Market Research. They scan the environment and ensures to sieve through what could potentially be morphing the Future. Many organisations do this as part of Trends Research. Futures are dotted and mapped as part of Market Research and sometimes this becomes part of the benchmarking study.

These studies are almost conducted as part of every decision making, market projection analysis, product development, etc. Thus, these bucketed companies are conducting Futures Analysis inherently, without explicitly knowing about it.

##### **Futures Thinking as part of Decision Making**

One of the informants mentioned doing Trends Research as part of every process and decision making. It makes it almost obvious that Futures Scanning is part of the decision-making basis. As one of the informants mentioned “we also do trends research before startup scouting, acceleration program”.

“We work with future oriented companies”

“The agenda is always to make it future-proof”

One of the informants very proactively mentioned that her organisation is very involved in Futures Thinking and they deeply work with Trends and Futures Thinking.

“We work with Trends, Scanning the environment, etc as daily part of the work. Our strategic themes are based on business objectives and Futuristic Trends”.

Such organisations are mostly aware of the ROI to work with Futures Toolkit. Most consultants in such organisations would help all levels of management to be aligned and be taking unanimous decision together. Their job would not be to convince the power of Futures

Thinking but rather making sure all ends stick together and has a common goal of tackling the future.

“Futures Thinking and everything we do - they are all connected”.

### **Futures Thinking as part of Toolkit**

This is the most interesting piece of the research. This is piece informs how companies, when not making Futures Thinking being prevalent throughout the company, it can still serve as a toolkit. These organisations would make Futures Thinking and Doing as part of their tools.

“Looking at trends is extremely important, especially in the Needs Finding stage”.

Many companies publish their own Trends Report, Landscape Report or they even launch their own targeted scouting.

“We do scan through reports, podcasts, publications, infographics, peer interaction.”

When market scanning and trend spotting becomes a part of everyday doing, Futures Thinking becomes part of the toolset which could be leveraged further. With such everyday tools available, Mapping the Future becomes completely possible and achievable. Some organisations do it as everyday activity tailored through their daily activity, toolkit, or decision-making process.

This pillar of strategic theme unveiled how companies organise themselves to discover the future and what everyday activities enable them to do so. This pillar formulated the base of organisation’s viewpoint on how they are mapping the future and leveraging it in everyday work.

#### 4.2.4 Defining Future State

Defining the futures state becomes very important as it defines how are strategic discussions led, decisions made and how the strategic roadmap be formulated. From the empirical research with the informants, it was found that strategy for the future is most often determined by the Return on Investment (ROI). Every decision is based on Return on Investment (ROI), and most often the run of this decisions hold true only for short-term. Most executives are not concerned if the investment will “move the needle for the future”.

Most often these strategic decisions are led by a particular department, often determined by the nature of these departments. Each organisation has goals, often determining which business units will take the lead in determining the future, and thus, future of their business.

“The corporate strategy and innovation department goals are aligned and it’s about new business creation.”

“Sales determines what needs to be picked for corporate goals. And leadership articulates the strategy.”

“There is a specific team which defines where we could focus, our corporate strategy and goals.”

And most often strategy leads the way, it determines the course of the futures business. Department heads make the roadmap and the metrics. Often knowing the right person in the business environment is key as this stakeholder will often have the right power to make the strategic pull. This person would be key in determining the future roadmap of the organisation.

#### 4.2.5 Defining Strategic Imperatives

Continuing with the research piece on who influences the strategic decisions of the organisation would be key to influence the future. Most often the strategic imperatives are decided by ROI. The empirical research informs that the imperatives are picked by these key stakeholders and their decisions are often based on which impact the ROI the most.

“Strategic imperatives are defined by how many times the investment will get multiplied.”

“The corporate strategy and innovation department goals are aligned and it’s about new business creation.”

Most often these imperatives will be set by the vision of the company. Although most often the strategic imperatives picked can often morph and change based on how the execution of the vision is forging. The roadmap and the prioritisation often led by a specific team, determined by the lead of this team, who focuses on corporate strategy and goals. But as pointed out from the empirical research already, who determines the strategic lead, and the imperatives depends on company to company.

“Innovation Department Head sets the Innovation goals and then teams break it down to imperatives.”

In many companies it works differently. Often the imperatives are defined by the top-level executives. The vision is often set by the topmost management like VPs, CEOs, Local CEOs, Board Members, etc.

### 4.3 Design Principles

According to Fu, Yang and Wood (2016), Design principles are formed during any design and development analysis to condense and rationalise the findings into concise understandable

pillars of knowledge. It allows the exploration to be codified and formalised. Design principles can be used to advance the existing knowledge base and solve future design problems, especially the wicked ones. The formulation of Design Principles facilitates solving for the grand challenges that world face. "Principles are part of a family of knowledge explication, which also include guidelines, heuristics, rules of thumb, and strategic constructs."

The empirical research has provided an in-depth grounding on which the model might stand. The coding has raised two buckets in which the model could be used. This came as big breakthrough in understanding the edge cases of the model, but nonetheless proved valuable to keep in contextual reminder always.

### Edge Cases

- The model would be different for a corporate with innovation centre and without an innovation centre. It would have different phases and rhythm of execution.
- If the company does not believe in qualitative methods, there would be a module to introduce into the ways of working with qualitative methods.
- The said model is heavily dependent on "Sensemaking" and would have a strong dependency on sensemaking and qualitative approach to analysis.

The design principles could be formulated and group under as:

- 1.) Incorporating Futures Thinking as part of everyday tools. Doing Futures Thinking should not feel like extraordinary and exclusive. The objectives should be translated to everyday and ordinary tools.
- 2.) There is definite need for groundwork of culture to be incorporated within corporates. The culture thrives on qualitative, intuition-oriented futuristic and big-picture thinking.
- 3.) Vision is based and is driven by Return on Investment (ROI). This vision in turns drive the strategy. Thus, one could almost say that strategy and vision is driven by Return on Investment, defining what the "future could be". "The overall company strategy should be standing atop Futures. Futures should lead the way".
- 4.) Each organisation has different goals and different organisational structure. It is important to understand which business unit will lead the strategy and defining the future. All in all, that business unit should be responsible for setting the vision, strategy, and innovation work-stream.
- 5.) Defining the imperatives with ballpark revenue estimated figure would be key to understand the prioritisation, it helps in investing in the biggest bet. Moreover, ROI is the language everyone speaks at the executive level, it helps in buying-in and getting every stakeholder onto same page.



“It is important to talk strategy and strategic imperatives with ROI, as it would mean we are responding back in the same language. They would align with the stakeholders.”

The design principles allowed to think of the Innovation Consulting model differently. It facilitated to understand what each phases needs and could be powered to do. This disrupted the whole process of working with the model. The researcher is of the opinion that the new model is more powerful and versatile.

#### 4.4 The New Model

The initial conceptual service framework (Table 2) has been framed through literature review. The initial conceptual framework has a more literature grounding, which helped in defining the research areas, questions, and the objectives of the empirical research. Through the empirical research it has been found that the model could be further iterated based on the identified design principles.

Current State	Desired State	Define Strategy	Define Culture	Path Forward
Audit Current Innovation State	Scan Environment	Identify Strategic Imperatives	Set Methods and Processes	Conceptualise to Influence
	Define Company's Vision	Create a bottom-up Roadmap	Define Decision Making System	
		Define KPIs		

Figure 17: The new Consulting Framework

The one big revelation encountered by the researcher was the lesser emphasis given on the tools to do the analysis and strategic envisioning. It was more dependent on the nature of the organisation, their emphasis and view on tools. The first conceptual consulting model has more emphasis on the tools, phases, and nature of analysis. But the researcher realised that most organisations and consultants are thinking of the process - the process to set the vision and strategic imperatives against their perfect desire for the “Futures”. Thus, the new model only was worked out to answer the process or the approach. Thus, the model is more prescriptive of the process to set the vision and strategy.

#### 4.5 Principles of the Model

The model has two layers of process. Both the layers are dependent on each other but led by different levels in the organisation. The two critical layers in any organisation is the top executive layer and the middle layer.



The last block of the consulting framework is dependent on laying the Path Forward. All strategies are a wasted effort if not put forward in the right manner to actualise influence. Influence happens when everyone is onboard and ready to move in the right direction. Most often the strategies and the vision spoke of would be evangelised into a visualise, which could often allow people to come into the same rhythm and onto the same page. A visualised strategy could help top-level executives to have a unified vision. While working as an Innovation Consultant, often it becomes key to empathise the need for visualising to influence. Even when the researcher reflects, in her daily life she would often be working to form the right visualise, deck structure, models and visualised framework to rationalise what matter, where and how. Thus, through her professional work experience she has often understood the power of visuals to empower team, influence change and even democratise decisions.

Although the researcher has described how the model would work weaving in the various facets of responsibilities being shared by the top-level executives and middle managers. It will now be a path forward to understand how to use the model effectively.

Formularising the usage of the model in few pointers would be:

- Tools are difficult to concretise as it will depend on the nature of the organisation and their internal working methodology. Thus, it would be key to work with process more, keeping room for organisation to tailor it to their working nature and rhythm.
- The entire model described in figure 20, is defined to incorporate workstreams led by middle manager and top executives. This is also helpful in bringing both top-level executives and middle managers onto same page. This would foster quick buy-in from everyone and create the space to collaboratively work towards one vision.
- Moreover, the framework has been designed keeping in mind that each layer could work on certain pieces of the phases. This was designed such that the vision is built collaboratively and not entirely top-down. Completely restricting to top-down or bottom-up creates friction, which does not lead to any good other wasted time to get everyone onboard have a buy-in onto the mission.
- The top level defines more the strategic layers, and the middle layers define the process and system to achieve it with their team members.

#### 4.6 How to use the Model

The model could be used in several ways. The best way to use the model is to entirely use the process as described in Principles of the model (section 4.5) or have smaller paths to work

through

it.

Current State	Desired State	Define Strategy	Define Culture	Path Forward
Audit Current Innovation State	Scan Environment	Identify Strategic Imperatives	Set Methods and Processes	Conceptualise to Influence
	Define Company's Vision	Create a bottom-up Roadmap	Define Decision Making System	
		Define KPIs		

Figure 19: Path 1 for the Consulting Framework

Path 1 could be used for a quicker route to get to the understand the vision and execute influence against. The versatility of the consulting framework comes from its different routes to be taken. The framework has been designed such that the top layer could independently exist giving a layered approach to the model. The design is versatile enough to keep the key and transformational pieces of work floating on the surface; and the if deep work is needed it will be followed through each pillar vertically downwards.

The strategic work would entail first, analysing the innovation state, then moving to scan the environment and then identifying the strategic imperatives based on the trends emerging through the scanning. Later this will inform what kind of methods and processes to be adopted for setting up the work rhythm and culture. Later this will be formularised to influence decision makers. In this key stage it is important to visualise to inform and influence change.

Current State	Desired State	Define Strategy	Define Culture	Path Forward
Audit Current Innovation State	Scan Environment	Identify Strategic Imperatives	Set Methods and Processes	Conceptualise to Influence
	Define Company's Vision	Create a bottom-up Roadmap	Define Decision Making System	
		Define KPIs		
<i>Defined and led by middle managers</i>				
<i>Defined and led by top managers</i>				

Figure 20: Path 2 for Consulting framework

The second path is more oriented towards having an approach which relies more on input from the top managers. Top managers

## 5 Conclusion

This chapter is the last of all chapter, drawing conclusion of the development work. It includes key insights from the theoretical foundation and empirical research phase. Followed by the exploration of value of the work and transferability of its results. Finally, I have sketched on how possibly it could contribute to research exploration.

Corporate Entrepreneurship has been comparatively a new field of study. In practice, it is still in its nascent stage of picking up practices, tools, and approaches on how to stay relevant while competing with the vast majority of startups scaling up too fast to pose a threat to the well-established incumbents. As I approached my development project, I have kept arguing that this development project will be part of Corporate Innovation. Although, while going further in with the research there was a realisation that Corporate Innovation and Corporate Entrepreneurship has been used interchangeably. The research in Corporate Entrepreneurship is more recognised and the terminology is way more accepted.

During the empirical research phase, it has been found that the labels has ranged from Corporate Venturing (Burgelman 1983), Intrapreneurship (Pinchot 1985) to explore themes like Corporate Entrepreneurship (Guth & Ginsberg 1990), Internal Corporate Entrepreneurship (Jones & Butler 1992) and Strategic Entrepreneurship (Hitt et al. 2011).

While my drive to understand the clear distinction between Corporate Innovation and Corporate Entrepreneurship is understandable - I found there is no clear conclusion. The phenomenon of corporate Strategy aligning with Entrepreneurship is more colloquially known as Corporate Innovation, while in literature it has been more regularly called as Corporate Innovation.

The same confusion has also been addressed by Sharma and Chrisman (2007). They discussed about the ambiguity in terminology used for Corporate Entrepreneurship and Corporate Innovation. Although several authors have acknowledged the features that are unique to Corporate Entrepreneurship, but they have used different terms to express themselves. Although, it is common in an emerging field to have terminologies still being undefined, as the phenomenon is still under flux and construction. Rather it is necessary for the scientific progress of the field.

For this thesis purpose, I have taken the liberty of using the words interchangeably to ensure that no strict definition is applied to it, rather as a term to define the approach which corporates are adopting.

### 5.1 Grounding in Literature Review

The development work has been about developing a Conceptual Consulting Framework to facilitate corporates developing their entrepreneurship thesis based on Futures Thinking. The researcher first started with grounding herself in the literature of Corporate Innovation. To her futile effort, she could not find much relevant literature for Corporate Innovation. Although when she branched out her research onto Corporate Entrepreneurship, while exploring the intersection of various field of research interjected with Corporate Entrepreneurship like

- Corporate Entrepreneurship and financial performance of a firm
- Corporate Entrepreneurship, Environment, and dynamic capabilities
- Corporate entrepreneurship, hostility
- Dynamic capabilities and corporate entrepreneurship
- Dynamic capabilities with strategic foresight
- Foresight and strategic flexibility

One of the key components of the literature review was to understand Dynamic Capabilities and how it relates to Corporate Entrepreneurship. Regarding my understanding of the project in hand, there are four key topics on whose basis the development works stands. They are as follows:

- Corporate Entrepreneurship
- Dynamic Capabilities
- Environment
- Futures Thinking

To start of the conclusion, I would like to highlight the important of Dynamic Capabilities of a firm (or corporate). Teece et al. (1997, 516) seminal work on Dynamic Capabilities defined it as “the firm’s ability to integrate, build and reconfigure internal and external competencies to address rapidly changing environments”.

Environmental Munificence reflects the richness of opportunities for Corporate Venturing and Renewal in an industry. It embodies the opportunities through the dynamism of the firm, abundance of technological opportunities, industry growth and demand for new products. Dynamism creates opportunities for a firm within its own pretext, arena and market but also on the allied areas. Dynamism is also an absolute necessary when there is a “technological push”, where new advances in technology creates a demand gap and pulls the established firm to take an immediate step to answer it. The technological push sometimes creates new opportunities through creating new market and/or new market needs.

When hostility arises due to unfavorability of change in the environment, companies usually proceed to redefine their business, domain, undertake significant alignments in their operations through divestments, retrenchment, or restructuring” (Zahra 1991). In both such situation of environmental munificence and hostility, dynamic capabilities of a firm allow for the corporate to stay competitive and in most situation invincible.

Dynamic Capabilities is the practical answer to today’s corporate needs of entrepreneurial activities towards adapting, influencing, and winning in an environment which is under flux and hostility. Corporate Entrepreneurs and Managers shape strategy, structure, and process by orchestrating the firm to positively affect and harness the firm’s dynamic capabilities (Corbett & Neck 2010). The ability of a firm to understand, gauge and capitalise the needs of ever-changing environment, which is going on, depends on the dynamic capabilities of the managers, which in turns forms the dynamic capabilities of the firm.

Zahra and Pearce (1990) discussed that the Corporate Entrepreneurship Strategy based on Environment is based on many dimensions, like: Munificence, Hostility and Heterogeneity. These perceived “environments” arise from the variation in company’s definition of their industry, marketplace, region, customer needs, business expertise. It is not a single truth; it is conceptual understanding based on the business and strategy. For this Thesis purpose, I have defined the need of Corporate Entrepreneurship on basis of Environment Munificence and Environmental Hostility.

It is essential for Corporates to mobilise their dynamic capabilities, which eventually allows them to be entrepreneurial and tackle elements of environmental flux. Companies nowadays focus very heavily on building out a thriving portfolio of products and services, which eventually mean they are reorganising their strategy, talent, operations, and product development efforts to achieve these ambitious targets. In this very ordeal, they achieve dynamic capabilities. My argumentation is that developing new structures, organising itself to scan environment, sense new opportunities and finally seizing it through different modes of Corporate Entrepreneurship is the element of Dynamic Capabilities in action.

Resource based view is a central concept to understand how a firm create and perpetuate competitive advantage (Schilke et al., 2018; Helfat & Peteraf,2003). Dynamic Capabilities is an extension of the Resource-Based View of a firm. Resource Based View illustrates on how companies own tangible and intangible assets, operational capabilities and effectively use them to create business opportunities to have a competitive advantage.

Dynamic Capabilities, as described earlier- refers to an organization which “Purposefully create, extend or modify its resource base” (Helfat 2007). Dynamic Capabilities can be fully

exploited and materialized when we incorporate sense-making and seizing capabilities. Both these capabilities need to cross a particular threshold to foster innovation (Naldi et al. 2014). These foresight-oriented capabilities of Sense-making and Seizing can be developed, assessed, and deployed to orient the internal capabilities for the changing business environment (Sharfman & Dean 1997). These Foresight oriented abilities of a firm allow it respond to changes, flux, and competitive rivalry in the business environment.

This development project is designed to answer how Corporates can have entrepreneurship capabilities by owning to dynamic capabilities, leaning to strategic foresight through futures thinking.

Personally, for me, it was a challenging endeavour to go through so many branches of literature and cut out only the relevant ones. Although the endless journey of going through several articles it made me realise the importance of literature review. The academic literature is bounty of article on Corporate Entrepreneurship and Dynamic Capabilities. But none, seem to have answered how strategic foresight allows Corporates to own dynamic capabilities. In fact, there was no significant article which mentioned any correlation between the two. I believe, this development project and the literature review has a strong contribution towards establishing that strategic foresight and acting accordingly, eventually allows firms to mobilise their dynamic capabilities to be truly capable of being entrepreneurial.

## 5.2 Developing the Conceptual Framework

The literature review facilitated the formation of initial conceptual framework for corporates to be entrepreneurial through deploying their dynamic capabilities. The framework was standing with foundation in Dynamic Capabilities, Strategic Foresight and Futures Thinking. The initial conceptual framework has been foundationally inspired by the framework developed by Ojasalo, Koskelo and Nousiainen (2015) for foresight and service design boosting dynamic capabilities of a firm. It was then challenged by frameworks established in strategic foresight. Some of the other key frameworks analysed and incorporated are

- Framework for foresight and service design boosting dynamic capabilities of a firm, by Ojasalo, Koskelo and Nousiainen (2015)
- Future Back Method defined by Anthony, Gilbert and Johnson (2017)
- Backcasting Wheel (Bengston, Westphal, Dockry 2020)
- Future Mapping (Philips 1996)
- Methods and Tools inspired from Innovation Sprint by Board of Innovation (2021)

Although the framework is quiet a robust framework to deploy in organisation and start mobilising their dynamic capabilities. But there was a strong need for critically analysing it to



further deconstruct it and taking the opportunity to make it more robust. For this reason, the development work proceeded to empirical research phase.

### 5.3 Design of the Empirical Research Phase

The empirical research phase was designed according to the Constructive Research methodology. The mechanics of a Constructive Research Methodology is based on six phases as described by (Oyegoke 2011) as follows:

**First Phase:** Finding a Practical Problem, which has potential for Research Contribution

**Second Phase:** Obtaining a broad and general perspective on the topic

**Third Phase:** Devising a novel construct

**Fourth Phase:** Demonstrating that the new Construct devised, works in practice

**Fifth Phase:** Establishing the Theoretical Connection and the Research Contribution of the solution concept

**Sixth Phase:** Evaluating how the solution could be applicable

Constructive Research starts with finding a practical problem. The problem can arise from a client work, recent report or any problem being articulated in any report. After narrowing down the problem, a general and broad perspective is gained on the topic. This allows for a comparative synthesis from similar and differentiated branches should be carried out to - to gain a whole spectrum view (Oyegoke 2011). Then after which, a new construct is devised. There are other three phases hereon, but for my thesis purposes, I have kept my development work till this phase of devising a new construct.

Following the formulation of this new construct, it is demonstrated how this new construct would work in practice. This would enable to draw theoretical connection and research contribution of the solution concept. The last phase is of the new construct being tested in practice would be further applicable.

Constructive research coupled with Design Thinking has a strikingly interesting phases, which is meaningful for this development work. The combination of Constructive Research Method along with Design Thinking method have been inspired by the master's thesis work by Laverty (2021). The design of this project has flavours of inspiration from his work, although the design is strikingly different.

The choice of informants had not been tied to a particular organisation and environment as it would limit in understanding how corporates generally operate within their objectives of Corporate Entrepreneurship. To study a phenomenon more generally, it required to have an in-depth interview with informants belonging to various kind of organisation, bringing in their

diverse point of views.

Informants were chosen from corporates, which were very large to moderate in size. Some of the informants were chosen to be from the Innovation Consulting side and some were more open but had a tangential contribution to Innovation metrics in their organisation. The empirical research phase had five strategic thematics to be worked through. Findings from empirical research enabled to form the Design Principles.

According to Fu, Yang and Wood (2016), Design principles are formed during any design and development analysis to condense and rationalise the findings into concise understandable pillars of knowledge. Design Principles were developed to enable unpacking and deconstructing of framework. "Principles are part of a family of knowledge explication, which also include guidelines, heuristics, rules of thumb, and strategic constructs."

The empirical research phase findings were collated to Design Principles. The design principles are as follows:

- 1.) Incorporating Futures Thinking as part of everyday tools.
- 2.) There is definite need for groundwork of culture to be incorporated within corporates.
- 3.) Vision is based and is driven by Return on Investment (ROI). This vision in turns drive the strategy.
- 4.) It is important to understand which business unit will lead the strategy and defining the future. All in all, that business unit should be responsible for setting the vision, strategy, and innovation work-stream.
- 5.) Defining the imperatives with ballpark revenue estimated figure would be key to understand the prioritisation, it helps in investing in the biggest bet.

From these Design Principles, after creative exploration, ideation and challenging the initial conceptual framework, I formulated the new Consulting framework. This new framework is more robust, flexible and could be used use to solve through either a longer or shorter path.

I believe this new consulting framework would allow corporates to be more entrepreneurial by deploying their dynamic capabilities with Futures Thinking. They could analyse and scan the environment for munificence and hostility to develop strategies for combating it.

#### 5.4 Value of the development project

My professional experience in the Innovation Consulting sphere has showed me that corporates most often don't know how to strategies, they struggle to develop their vision through a rigorously grounded approach. Most layers of the organisation are disconnected and

does not have the right balance of power balance and architecture. As a consultant I was exposed to several projects, where extreme bottom-up approach, made the organisation quite chaotic; and the top-down approach made the organisation look very rigid. The balance of combination from both the layers makes it more approachable and garner buy-in from everyone. The new frameworks allow for that. Moreover, based on budget, managerial availability and time, the consulting procedure could have a more concise approach or an elaborate approach.

Today, while I work as a Director Product Strategy in Berlin with a global agency, I solve for innovation every day. I understand the value of this development work very closely. The framework could form the basis of an entire portfolio of services that my agency could offer to our clients.

While doing the literature review and empirical research phase, I was exposed to such great knowledge base of already developed theories, concepts, and frameworks - and yet there was a huge gap in corporates owning their dynamic capabilities through strategic foresight. Very surprisingly, quite less has been explored in the paradigm of Corporate Entrepreneurship related to dynamic capabilities and strategic foresight. I believe this development project; literature review and the consulting framework will be contributing greatly to not only literature but also practical consulting world.

While going through several offerings in most of the Innovation Consulting firms, it was quite rare to find a very robust formulation of developing a corporates Innovation Thesis based on Strategic Foresight. It was rather a very often a loose translation of trends translated into a strategy. While working as an Innovation Consultant, I have stayed long enough with the problem to truly recognise its value in building such a framework.

After completion of my thesis and degree, I would take the opportunity to take this consulting framework and grow it to a portfolio of services to be offered to our clients. This would allow for the Innovation Consulting world to have a more recognised robust mechanism of developing Innovation Thesis based on the Strategic Foresight. For advocacy, it would be key to take my literature grounded learning of dynamic capabilities and advocate it. The phenomenon of dynamic capabilities of a firm is tactical and strategic approach to combating any environmental flux. The more corporates recognise the phenomenon of dynamic capabilities, they can further unlock the power of it.

The combination of tactically using the consulting framework as a full portfolio of services while advocating the ideology of dynamic capabilities, will truly make the effort produced in this development project, meaningful to my workplace and the consulting world in general.

## 5.5 Contribution to research

The contribution to research has been primarily in drawing convergence between strategic foresight and dynamic capabilities. Not much literature narrates that the inherent nature of organising firm capabilities in coherence with the futures in eventually dynamic capabilities in action. Thus, it can be argued that Foresight Capabilities grow both Dynamic Capabilities and Strategic Flexibility. Moreover, Dynamic Capabilities is very similar to the view of Strategic Flexibility.

The two foundational contributions to further research and literature have been:

- Firms organising themselves for the “Futures” is inherently facilitating their dynamic capabilities.
- Dynamic Capabilities is very similar to Strategic Flexibility.

Shimizu and Hitt (2004) describes Strategic Flexibility “as an organisation’s capability to identify major changes in the external environment (eg: introduction of disruptive technologies), to quickly commit resources to new courses of action in response to change, and to recognise and act promptly when it is time to halt or reverse such resource commitments. They mention that a new competitive landscape has taken form, mostly driven by advancements in information technologies and increasing globalisation. This ability to identify major changes is very similar to the ideology of Strategic Foresight. There is an inherent similarities and connection between the two. I argue that Futures thinking and scanning leads to Strategic Flexibility. Without the foresight, it is very difficult to attain the capacity to change direction and be flexible.

Earlier, Hitt et al. (1998) mentioned that the new business environment possesses various challenges, including blurring of industry boundaries, increase in international operation, intense competitive rivalry, and the need for continuous innovation. We can see the coherence and an absolute necessary to nurture Foresight Capabilities to harness Dynamic Capabilities (and Strategic Flexibility) of a firm.

Moreover, in earlier discussion we established that developing new structures and organising itself to scan environment, sense new opportunities and finally seize it through different modes of Corporate Entrepreneurship is the element of Dynamic Capabilities in action.

The most valuable contribution of the development work has been in terms of the versatile and flexible framework that has been built; although the literature review and analysis very rigorously contribute to literature in terms of drawing connection between Futures, Dynamic Capabilities and Strategic Flexibility of a firm. Further research could be focussed on

showcasing the connection and gaps between the concepts of Strategic Foresight, Strategic Flexibility and Dynamic Capabilities.

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