

Recognize Intrapreneurs Before They Leave

Article written by Vijay Govindarajan and Jatin Desai
September 30, 2013
Originally Posted at http://blogs.hbr.org/2013/09/recognize_intrapreneurs/

Any CEO can tell you that finding ideas is not the always the problem. The real issue is selecting and spreading the best ideas, testing quickly, and executing flawlessly. An "innovation engine" is an organization's capability to think and invest in long-term opportunities along with the competence to drive continuous innovations for top-line growth each year.

To build your innovation engine, your firm must excel at operationalizing ideas from your energized people who are willing to do everything they can to fight off internal resistance without creating chaos. This is your bench of corporate innovators: your intrapreneurs.

You already have natural intrapreneurs in your company. Some you know about, but most are hiding. These individuals are not always your top talent or the obvious rebels or mavericks. But they *are* unique and certainly the opposite of "organization men." When you find them and support them correctly, and magic will occur.

Intrapreneurs can transform an organization more quickly and effectively than others because they are self-motivated free thinkers, masters at navigating around bureaucratic and political inertia.

In a firm with 5,000 employees, we've found, there are at least 250 natural innovators; of these at least 25 are great intrapreneurs who can build the next business for your firm.

Failed Leadership

Many senior leaders, surprisingly, are actually afraid to promote out-of- the-box thinking for fear of losing their best employees to success and then to competitors; this is a sure sign of failed leadership.

Tomas Chamorro-Premuzic argues that 70% of successful entrepreneurs got their business idea while working for a previous employer. These talented individuals left because the environment did not have an intrapreneurial process to pitch their ideas—and their bosses were unbearable. We find that smart people leave companies to start their own ventures because their firms did not believe in intrapreneurship as a critical tool for growth.

Successful Intrapreneurs

Based on our work with corporations, we have discovered six patterns of successful intrapreneurs:

Pattern #1: Money Is Not the Measurement. The primary motivation for intrapreneurs is *influence with freedom*. They want to be rewarded fairly, but money is not the starting point for them. Reward and compensation are a scorecard of how well they are playing the game of intrapreneurship.

Pattern #2: Strategic Scanning. Intrapreneurs are constantly thinking about what is next, one step into the future. These passionate change agents are highly engaged, very clear, and visibly consistent in their work and interactions. They are not sitting around waiting for the world to change; they're figuring out which part of the world is about to change, and they will arrive just in time to leverage their new insights. Learning is like oxygen to them.

Pattern #3: Greenhousing. Intrapreneurs tend to contemplate the seed of an idea for days and weeks between calls, meetings, and conversation. As they shine more light on it, the idea becomes clearer, but they don't yet share it. They know that others may dismiss it without fully appreciating it — so they tend to ideas in their greenhouse, protecting them for a while from potential naysayers.

Pattern #4: Visual Thinking. Visual thinking is a combination of brainstorming, mind mapping, and design thinking. Only after an exciting insight do intrapreneurs seem able to formulate and visualize a series of solutions in their head—rarely do they formulate just one solution. They do not act impulsively on a solution immediately, keenly aware of the need to honor the discovery phase for the new solution, giving it time to develop and crystallize.

Pattern #5: Pivoting. Pivoting is making a significant, often courageous, shift from the current strategic direction. It sounds scary and unfathomable to most mature organizations, although it's often what is needed to resuscitate a dying company.

For example, Steve Jobs pivoted Apple from being an education and hobby computer company to a consumer electronics company. Wipro of India pivoted from being a small vegetable oil manufacturer to a software outsourcing powerhouse. CEO Tony Hsieh of Zappos pivoted from selling only shoes to becoming an online customer experience company. (In 2009, Amazon bought Zappos for \$1.2 billion.) Jeff Bezos pivoted Amazon from being the world's largest online megamall that sold everybody else's stuff to selling its own hardware—the Kindle line of readers. This strategy has paid off well—as of this writing, Amazon owns about 60% of the ereader market share, and its market capitalization value is north of \$100 billion.

Pattern #6: Authenticity and Integrity. The intrapreneurs we studied demonstrate the attributes of confidence and humility, not the maverick-like behavior often associated with successful corporate innovators. They all, however, exuded high self-awareness and sense of purpose.

You can begin a senior-level conversation about intrapreneurship by addressing the following important questions about building a bench of intrapreneurs:

- What is your organization's definition of a corporate intrapreneur?
- How does one become a successful intrapreneur?
- How can you find intrapreneurs within and outside your company?
- What are methods and tactics to develop intrapreneurs and intrapreneurial teams? How can your organization implement them to nurture your intrapreneurs?

Successful companies with their own innovation engines understand how to find, develop, and retain intrapreneurs. In order to outcompete, they promote and nurture a small start-up environment within a large organizational structure that embraces continuous experimentation to find the next big thing.