

STRATEGIC GROWTH STRATEGIES FOR TECHNOLOGY-BASED SMES – NEW BUSINESS DEVELOPMENT WITH SEMI-AUTONOMOUS ENTREPRENEUR-TEAMS

Guido Baltes, Jérôme Gard



**Prof. Dr.-Ing. Dipl.-Kaufm.
Guido H. Baltes**

*Prof. Dr.-Ing Guido Baltes
ist als Direktor des Instituts*

*für strategische Innovation und Technologie-
management (IST) an der Hochschule Konstanz
Experte für Strategic Innovation, Dynamische
Fähigkeiten, Ambidextrie & Corporate Entre-
preneurship. Seine aktuelle Forschung konzen-
triert sich auf Innovations- und Veränderungs-
fähigkeiten von Unternehmen, beispielsweise
Herausforderungen in der Organisation und
Führung von Entrepreneur-Teams zum Aufbau
neuer, innovativer Geschäftsfelder im beste-
henden Unternehmensumfeld. Er unterstützt
Unternehmen in strategischer Transition und
bei der Umsetzung innovationsorientierter
Wachstumsstrategien.*



Jérôme Gard

*Jérôme Gard ist wissen-
schaftlicher Mitarbeiter an
der Hochschule Konstanz*

*und Doktorand an der Universität Leiden (NL).
Sein Promotionsstudium wird im Rahmen der
europäischen Graduate-School NITIM geführt.
Er hält Abschlüsse als Ingenieur und Master im
Wirtschaftsingenieurwesen. Seine Forschung
fokussiert auf das Management organisationaler
Fähigkeiten im Bereich von Corporate
Entrepreneurship und organisationaler
Ambidextrie.*

1 INTRODUCTION

The question of how established SMEs create new businesses shaped its own body of literature over the last decades and is known as corporate entrepreneurship research (CE). Scholars in this field share the idea that the organizational ability to continuously create new businesses enables firms to strategically adapt to changing environmental conditions thus achieving sustainable competitive advantage. One successful way to develop new businesses is to establish internal business development teams. These teams are semi-autonomous in their nature because they act like autonomous start-ups but are simultaneously integrated in, supported by and controlled through an established firm.

The guiding question for managers is how these teams can be managed as they have needs distinct from the rest of the organization. Particularly at an early business development stage, these teams may have a vision where to go but may have only a rough idea how to get there. They develop the new business through market interaction and experimental activities for developing the business. This ‘pivoting’ approach is regarded as a successful way for managing new business development (Sarasvathy & Venkataraman, 2011) but is perceived as inadequate for established businesses because it is hard to control and traditionally perceived as inefficient (Ansoff, 1967). The major challenge is thus for executive managers to establish an adequate level of autonomy that enables pivoting without losing control over business development activities.

The article presents a sensitizing study revealing the influence of autonomy on the ability of internal venture teams to develop a new business. Our research contributes further to theory as it has been recently criticized that the factors determining the semi-autonomous

nature of these teams remains ambiguous (Lumpkin, Cogliser, & Schneider, 2009). A deeper understanding of these factors enables managers to balance autonomy. We therefore present two case studies which provide an in-depth exploration of the autonomy factors. Following the approach of grounded theory, we analyze the data and discuss the characteristics and the influence of observed autonomy factors. These findings are concluded in a four-dimensional conceptual framework of autonomy for new business development teams before we derive recommendations for future research and practitioners.

2 THEORETICAL DISCUSSION – AUTONOMY IN CORPORATE ENTREPRENEURSHIP

New business development inheres entrepreneurial behavior that requires „freeing individuals to operate outside of an organization’s existing norms and constraints where they can think and act more independently“ (Lumpkin et al., 2009). The autonomy factors determining the freedom of internal venture teams remain however ambiguous (Lumpkin et al., 2009). A comprehensive literature review is provided to highlight four relevant autonomy factors discussed in related scientific disciplines (figure 1).

First, functional autonomous venture teams have been identified in large multinational corporations (Hill & Hlavacek, 1972). These teams cover relevant functional expertise through team members. There is, however, no consensus as to whether functional autonomy has a positive impact on successful business development (Newbury & Zeira, 1999). Second, decision autonomy is related to the concept of decentralized decision structures which enables lower level managers to make decisions without approval (Burns & Stalker, 1961). It has been found that decision autonomy increases the flexibility of adapting to volatile market

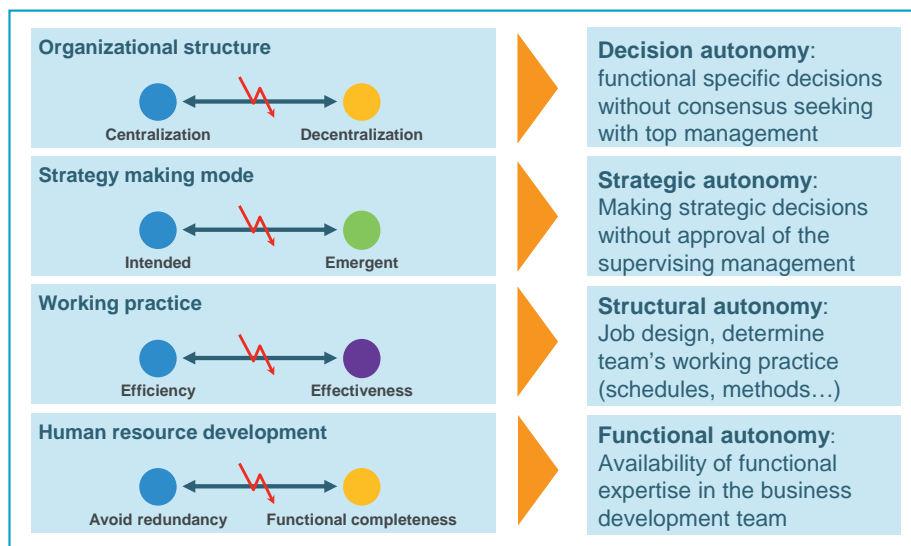


FIG. 1: Four relevant autonomy factors

parameters (Block, 1989; Dougherty, 1995). Teams enjoying decision autonomy show increased learning effectiveness (McGrath, 2001) but simultaneously face increased risk of failure (Gebert, Boerner, & Lanwehr, 2003). Third, strategic autonomy is defined as the authority of the lower level managers to guide the strategic direction of the new business without approval (Andersen, 2000). It is argued that new business strategy emerges from managerial grassroots level (Bower, 1986; Mintzberg, 1973) and is found to increase a firm's performance in volatile environments (Andersen, 2004). Fourth, structural autonomy is defined as one important feature determining job design that influences the behaviour of employees (Hackman & Oldham, 1975). It is shown that structural autonomy enables employees to try something new (potentially more useful) and break out of established routines, procedures and norms (Shalley & Gilson, 2004); which is a capacity supporting innovation that is required for new business development (Kanter, 1989).

3 CASE STUDIES

3.1 Solar-Company (Company A)

The case study refers to a medium-

sized company in the photovoltaic industry (PV-Industry). Despite the consolidation and fierce price competition in the PV-Industry, the company was able to generate continuous growth by continuously developing new businesses. Several new businesses have been developed since the company was founded in 1999. The following is an in-depth description of one successful business development.

Founded in 1999, Company A had high knowledge related to production processes for PV cells and modules resulting from university research. The business was based on production process consultancy. This consultancy was later combined with sales of quality measurement equipment. A partner was identified providing this equipment. Cooperation between the firms enabled the combination of the process knowledge of Company A with the hardware knowledge of the partner. Company A acted as a representative and received sales commission, whereas the partner signed the contracts and provided the equipment.

The interviewee (physicist) became more and more involved in business development activities. Based on his

sales activities, he recognized that the customer's knowledge in relation to quality management equipment was low. This was also the case for third-party equipment (e.g. scales or microscopes). He perceived this as a business opportunity and developed the business idea to combine Company A's process know-how with market available equipment in order to offer a turnkey package. This package included the equipment, service and operational training required for the equipment. He initiated and coordinated several activities for developing this new business. First, a marketing concept and differentiated standard packages were developed. Second, contracts were then signed with the different manufacturers of the equipment. Third, a training concept for the end-customers was developed and a team was built to train end-customers and provide service. Activities were supervised by the interviewee and conducted by a cross-functional team.

Based on the argument that the customer requires turnkey offering (mix of product, consultancy, service and training) which only Company A could offer, the authority for signing the contracts was transferred from the partner to Company A. Thereby Company A was put in the position to establish relationships with customers based on intensified interaction (e.g. conducted training and provided service). This enabled Company A to reach a new customer group (PV turnkey manufacturers) and establish a sort of temporary monopoly in this market segment, leading to contracts with each single turnkey manufacturer in Germany. Sales as well as sales margins increased significantly. In 2006 the demand for turnkey solutions decreased in Europe and simultaneously increased in Asia. Turnkey manufacturers entered the Asian markets and the interviewee recognized this development as the opportunity to enter the Asian market. The interviewee developed a quality measurement bundle

(e.g. providing the equipment, consultancy, training and service) positioning Company A as an implementation partner for turnkey manufacturers. First projects were conducted in Taiwan with a small experienced team. „This team was the nucleus for the sales and service organization that was built later on“.

The interviewee engaged in sales activities in Asia and was able to sign contracts for follow-up projects as well as projects with new customers without the support of the turnkey manufacturers. Retrospectively, the interviewee stated „we would have never managed to enter the Asian markets without the turnkey partners. We had not even been present at a single trade fair“. Sales increased significantly in 2006, local employees (Asia) were hired and trained to manage the increasing number of projects. Later, this team expanded into a new sales and service organization. Moreover, the interviewee realized that their customers utilized the trademark „Made in Germany“ of the sold equipment as a marketing aspect. He decided that a unique products design, highlighting the German brand, would be helpful. Therefore, the redesign of hardware, the web-page, brochures, sales presentations and so forth was initiated.

In line with that, several millions of Euros were invested in own product development with a forerun of 1–2 years. Software development was the core activity of the hired engineers whereas the production of hardware was outsourced. In 2010, the development department was comprised of more than 20 engineers. In product development, it was decided to develop equipment for high quality production processes instead of high quantity production processes. Years later, this anticipation of market demand became a reality as was seen in 2011 when high-end modules achieved at least a 50 % higher price than average modules.

Well in time with the crisis hitting the photovoltaic industry in 2008–2009, production of market-ready equipment started which led to sales increase by leveraging the increasingly internationalized customer base. High sales rates in combination with significantly increased sales margins determined the company's growth. In the same time when many companies in the PV industry struggled, Company A grew from around 20 employees in 2005 to 130 employees in 2010.

3.2 IT-Company (Company B)

This case refers to a small information technology and consulting company with around 30 employees. The company provides solutions for visualization in management control systems, product-life-cycle management (PLM) or collaboration. Turnover was primarily generated through the PLM business focused on individualized solutions for the automotive industry. Due to the industry trend towards standardized solutions in combination with decreasing payment rates for specialized programmers, the business found itself in a cash-out position in the company's portfolio. As a result, Company B engaged in the development of new businesses. In particular, the case describes the evolution of the PLM business and the ways in which Company B tried to develop a new business.

Company B was founded in 1989 and the CEO had the vision that web-based technologies would change the way people work. He developed a solution for integrating product-lifecycle relevant applications in firm specific portals. This solution was so innovative that Company B won competitions with global players like HP or IBM for projects with major OEMs within the automotive industry. As a consequence, the company grew and distinct business units were established with responsible managers. In order to develop their respective businesses

accordingly, these managers required a level of autonomy the CEO was not able to provide. In fact, the CEO was unable to provide his managers with the requested level of autonomy as the investor enforced harsh contractual conditions in order to avert/prevent any uncontrolled activities (such as investments in other firms or cooperation).

As a consequence of this limited autonomy, the managers perceived the company's context as an obstacle. Consequently, the managers left and founded their own company (Company Y) in 2000. The CEO decided to cut the competences and the access of his employees to the intranet in order to avoid such events in the future. This, however, caused new problems after a while. He created a rather „mechanistic“ organization in which employees followed documented guidelines, working procedures, regulations and business processes in order to do their job. This was sufficient for managing existing projects efficiently. But as the CEO claimed later, the company lost its ability to generate innovation. This was particularly true for the PLM business where the company gradually transformed from a tier-1 supplier to a tier-2 supplier.

The economic outcome displayed its full effect when the economic crisis hit the automotive industry in 2008. The PLM business that had provided steady growth for the previous 10–15 years started to stagnate. The CEO was not surprised as he had noticed standardized solutions dominating the market whereas prices for specialized programmers (Java) had been dropping continuously (Company B focuses on individualized solutions). He therefore forced employees into developing new business ideas, but he failed as employees stuck with 'business-as-usual'. As a consequence, around 25 specialized programmers had no project when some of the long-term projects

ended. Subsequently the CEO downsized the business over a two year period from around 75 to 30 employees. The result was surprising because the company generated exactly the same profit (absolute) with 30 employees as it had before with 75 employees.

The CEO recognized that new businesses ideas would not emerge from the mechanistic type of organization that had evolved over the years. He decided for radical organizational change. Two of his executive managers were given the opportunity to establish their own businesses in a new environment. For that, subsidiaries were established in two major cities in Germany. Each executive manager was provided with one major customer (automotive industry) and a small team of programmers and consultants. The aim of both initiatives was to gain new customers not limited to specific industries. In fact, the teams were allowed to conduct projects with existing customers, engage in further sales efforts and develop their own team. Every other function (e.g. R&D, marketing, controlling) was provided by Company B and the team leaders were controlled by the CEO. In the interviews it became clear that basic decisions, such as which brochures and other marketing materials to use, when and where to make an offer, which customer to contract and so on, were basically made by the CEO. Similarly, the influence of the team leaders on the current concept of strategy was rather low; strategy was basically not discussed with them. New business did not emerge causing one subsidiary to close and the other to become a cash-out operation.

The CEO recognized that business process integration on a „collaboration platform“ is not only a topic for large companies but also for small and medium size enterprises (SMEs). Due to standardized software such as „MS SharePoint“ such solutions became of economic interest. With this basic idea in mind, the CEO established a small team of around four

employees with the aim of developing the new business. In the first stage, the team members developed the conceptual design of the new business. While this business solution matured, the team increasingly engaged in sales activities and human resource development. Questions such as what activities to pursue and how to develop the business were primarily made by the team members. Even strategic issues were decided by the team.

The new business was however in an early stage causing trouble with the key performance indicators and controlling procedures derived from those in the established businesses. Targets (e.g. budgets or turnover) were planned but did not reflect real word conditions. Milestones such as number of customer acquisitions or cost coverage seemed to be more valid and were implemented. After a period of excessive customer acquisition, first projects were initiated and turnover started to increase around two years after first investments were made. The business was still in an early stage when interviews were ended. Nevertheless, the CEO stated that the new business was on the right track and he saw enormous potential.

4 DISCUSSION

Case A describes that the new business successfully emerged and thrived through the business development team. This was determined by the autonomy of the business developer to pivot (shift) business development/developing activities based on experience that was gathered through experimentation in market interaction. Pivoting is indicated through the fact that the business (distributor business) was adapted various times (e.g. turnkey business, internationalization or positioning in Asia). For example, the business developer recognized the opportunity to develop the ‘turnkey businesses’ through experience gained when he engaged in close interaction

with customers. Business development activities which evolved from this experience where rather experimentation-based as these activities were not discussed, not analytically determined, and rather unplanned, based on the intuition of the business developer that activities would work. Similarly, business development activities evolved when first projects were initiated in Asia or the company changed its market position by establishing an own sales and service organization in Asia.

Pivoting was facilitated as the business developer had the ability to adapt business development activities rather autonomously (free from limitations and direction of the CEO), based on his experience, the CEO providing the business developer with high levels of autonomy. This is indicated through the fact that the strategic direction of the new business was mainly driven by the business developer and decisions related to business development activities were often made without consensus seeking with the CEO. Furthermore, the business developer had latency-free access to functional experts and was able to coordinate them autonomously from the CEO. Direction was (only) given through a broad vision statement and control (only) established through revisions of rough budget estimates and business plans. On the other hand, clear budget limits and the availability of functional experts that the CEO was able/willing to provide limited the level of autonomy.

In contrast, the negative impact of too low levels of autonomy on new business development is highlighted in Case B. Here, autonomy was significantly reduced when the two business unit managers left the company. For example, projects that were before managed rather autonomously by these managers were managed by the CEO after this event. Furthermore, employees were treated as functional

specialists with restricted qualifications and strict job descriptions rather than independent decision makers. Access to the intranet was limited to a minimum and directive leadership enforced. The consequence was that a rather mechanistic organization manifested itself over the years. Consensus exists that the limitation of individuals in terms of qualification and job diversity, directive leadership and centralization (all described in Case B), or in other words too little autonomy decreases the organizational ability to generate innovation (Burns & Stalker, 1961; Lawrence & Lorsch, 1967).

Hence the contrasting cases highlight that new businesses can successfully emerge and thrive through new business development teams. The cases show further that an adequate level of autonomy is decisive for teams to develop a new business which reinforces recent argumentation in corporate entrepreneurship (Dess & Lumpkin, 2005). Despite this relevance of autonomy in corporate entrepreneurship, recent analysis has shown that the factors of autonomy remain ambiguous (Lumpkin et al., 2009). In the following, we further contribute to this discussion and characterize the dimensions of autonomy observed in the cases.

4.1 Characterization of Functional Autonomy

Functional autonomy in Case A is defined through a rather high share of resources in functional areas between the parent organization and the business development team, whereas the share of resources was rather low in Case B. In Case B only one functional expert in sales was temporarily provided by the parent organization. Similar to Case B, the business opportunities 'turnkey business' or 'internationalization' were operationalized through a cross functional team. In contrast however, many of these functional experts actually worked for

the parent organization and were only involved in some business development activities.

We argue that functional autonomy characterized though the share of resources and the level of autonomy can be high in some functional areas and low in others. It is therefore argued that functional autonomy depends on functional area (Crockett, Payne, & McGee, 2007; Hill & Hellriegel, 1994). Case A shows further that functional autonomy was established in areas required for direct customer interaction. For example, sales and service expertise was available in the team. On the other hand, autonomy in functional areas such as accounting or finance was not reported. Based on these observations, we argue that the nature of the functional area matters.

4.2 Characterization of Decision Autonomy

Decision autonomy that the business developers at both subsidiaries (Case B) inherited was rather low as only some decisions referring to project management and human resource development could be made without approval. In contrast, high decision autonomy in almost every functional area enabled the business developer in Case A to act with greater flexibility when developing the new business. Concerning the 'turnkey business', the team leader decided which third party equipment manufactures to collaborate with, to develop marketing and training concepts or to establish training and service teams. Thus, decisions were made flexible and free from direction and limitation.

The decisions made for developing the 'turnkey businesses' are however further characterized through the functional areas where they are made. Research in corporate entrepreneurship often overlooks that decision autonomy is function specific which may have distinctive implications for business development success (Crockett

et al., 2007). We argue that an in-depth understanding of decision autonomy with respect to functional areas contributes to the ongoing discussion for balancing decision autonomy. Such results would indicate criteria for balancing decision autonomy among functional areas. Previous research indicates that these criteria exist. For example, some authors argue that decision autonomy should be high in operational functional areas (Hedlund, 1979) whereas others argue that autonomy should be established in market related functional areas (Garnier, 1982).

4.3 Characterization of Strategic Autonomy

The business developers in Case B (subsidiaries) had a rather low influence on the strategic direction of their businesses. They were not part of the group in which strategic issues were discussed. In Case A however, high levels of strategic autonomy enabled the strategic direction to emerge. The strategy to enter the Asian market and subsequently to achieve a competitive position was not intended when the business developer adapted the business towards the 'turnkey businesses. Rather, the business developer recognized the tendency of turnkey manufacturers to enter the Asian market through close interaction with these customers. Perceiving this as an opportunity, he made the strategic decision to enter the Asian market in cooperation with these customers. Similarly, the strategic decision ('positioning') to establish an own sales and service organization in Asia emerged when the business developer recognized that service reliability was one major value proposition for Asian customers. Another strategic decision referred to the general direction of R&D activities. Here it was decided to focus on quality measurement equipment for high quality instead of high quantity production processes.

Strategic autonomy is typically not seen as an autonomy dimension in corporate

entrepreneurship. Case A shows however, that strategic autonomy determines the development of the new business as it enables the business developer to guide the future direction of the new business based on experience. It is argued that lower level managers are a better knowledge source than higher level managers as they have first-hand experience (Wooldridge & Floyd, 1990). Only recently has it been argued in corporate entrepreneurship that strategic autonomy should be considered when investigating autonomy (Bouchard, 2002; Lumpkin et al., 2009).

4.4 Characterization of Structural Autonomy

The level of structural autonomy in Case B (subsidiaries) was moderate compared to Case A. The CEO in Case B interfered the job of the business developer. For example, he directly coordinated team members of both subsidiaries. In contrast, the case of Company A shows that the business developer was fully autonomous in doing his job. When it was decided to adapt the business model towards the turnkey business, he for example coordinated marketing experts, composed a training team, mobilized experts that worked for the company beforehand and coordinated these experts when conducting first projects in Asia. This enabled the business developer to coordinate the team's activities in terms of 'What to do', 'How to do it' and 'When to do what'. The extent to which the business developer has the authority to influence these issues without the approval of high level managers characterizes the level of structural autonomy.

5 CONCLUSION & DISCUSSION

The paper shows that new businesses in SMEs can successfully emerge and thrive through business development teams. The team requires the autonomy to adapt business development activities based on experience gathered through

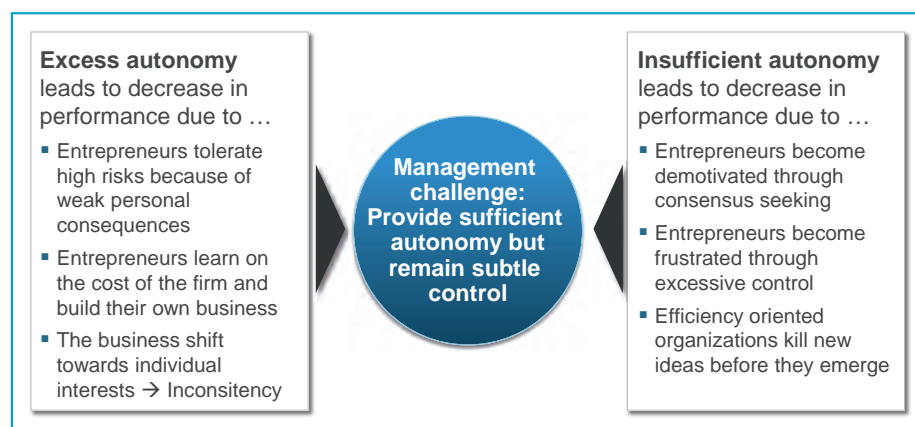


FIG. 2: Top Management challenge of balancing autonomy & control

experimentation in market interaction. However, high levels of autonomy inhere the risk that business development teams fail due to missing direction and control. The main challenge for higher level management is thus to establish an adequate level of autonomy that enables the team to develop the new business through pivoting without losing control over business development activities.

Our results show that the level of autonomy is defined through four dimensions: functional autonomy, decision autonomy, strategic autonomy, and structural autonomy. Decision autonomy enables the business developer to adapt business development activities flexibly in response to his experiences made through close interaction with market stimuli. Strategic autonomy enables the business developer to iteratively readjust the strategic direction in response to changing environmental conditions. Business developers with structural autonomy have the authority to coordinate the business development activities in terms of 'What to do', 'How to do it' and 'When to do what'. Functional autonomy determines business development through the level of shared resources between the parent organization and the business development team, which determines the team's ability to solve problems aligned with business development activities.

The adequate level of autonomy (Figure 2) can, however, not be extracted from such a small number of case studies. Drawing such conclusions is not the purpose of the paper. Rather, this research in progress paper has the aim to sensitize for the multidimensional phenomenon of autonomy in corporate entrepreneurship and provide a first conceptual framework for investigating autonomy in the context of internal business development teams. Research conceptualizing autonomy as a multidimensional phenomenon with a focus on SMEs does not yet exist in corporate entrepreneurship. We argue therefore, that our results provide a first contribution to theory building. In a further step, we operationalize the four autonomy factors and integrate them in a statistical model that we subsequently test.

Moreover, the paper provides implications for management. We assume that the insights managers draw from the paper and the cases increase efficiency when they engage in their first cycle(s) when learning how to manage new business development teams. Particularly, managers learn that business development teams are most successful when they are able to develop the new business through pivoting and this requires rather high levels of autonomy. The highlighted dimensions of autonomy are comprehensive and

enable managers to define further what the boundaries of the playing field for business development teams are and make it easier to derive criteria for adjusting the level of autonomy.

REFERENCES

- [1] Andersen, T. J. 2000. Strategic planning, autonomous actions and corporate performance. *Long Range Planning*, 33(2): 184–200.
- [2] Andersen, T. J. 2004. Integrating Decentralized Strategy Making and Strategic Planning Processes in Dynamic Environments. *Journal of Management Studies*, 41(8): 1271–1299.
- [3] Ansoff, H. I. 1967. *Evolution of Corporate Planning*: Stanford Research Institute.
- Block, Z. 1989. Damage control for new corporate ventures. *Journal of Business Strategy*, 10(2): 22–28.
- [4] Bouchard, V. 2002. Corporate Entrepreneurship: Lessons from the field, blind spots and beyond. *European Entrepreneurial Learning: Cahiers de Recherche d'E.M.LYON*, 2002(8).
- [5] Bower, J. L. 1986. *Managing the resource allocation process : a study of corporate planning and investment*. Boston, Mass.: Harvard Business School Press.
- [6] Burns, T., & Stalker, G. 1961. *The Management of Innovation*. London: Tavistock Publications.
- [7] Crockett, D. R., Payne, T. G., & McGee, J. E. 2007. Exploitation of Entrepreneurial Opportunities in the Corporation: An Exploration of Functional-Level Support, Decision Autonomy, and Performance. *Entrepreneurial? Strategy Processes, Advances in Entrepreneurship, Firm Emergence and Growth*, Vol. 10: 33–63.
- [8] Dess, G., & Lumpkin, G. T. 2005. The Role of Entrepreneurial Orientation in Stimulating Effective Corporate Entrepreneurship. *Academy of Management Executive*, 19(1): 147–156.
- [9] Dougherty, D. 1995. Managing Your Core Incompetencies for Corporate Venturing. *Entrepreneurship: Theory & Practice*, 19(3): 113–135.
- [10] Garnier, G. H. 1982. Context and Decision Making Autonomy in the Foreign Affiliates of US Multinational Corporations. *Academy of Management Journal*, 25(4): 893–908.
- [11] Gebert, D., Boerner, S., & Lanwehr, R. 2003. The Risks of Autonomy: Empirical Evidence for the Necessity of a Balance Management in Promoting Organizational Innovativeness. *Creativity & Innovation Management*, 12(1): 41–49.
- [12] Hackman, J., & Oldham, G. 1975. Development of the Job Diagnostic Survey. *Journal of Applied Psychology*, 60(2): 159–170.
- [13] Hedlund, G. 1979. Autonomy of subsidiaries and formalization of headquarters-subsidiary relationships in Swedish MNCs: Stockholm school of economics, Institute of international business.
- [14] Hill, R. C., & Hellriegel, D. 1994. Critical Contingencies in Joint Venture Management: Some Lessons from Managers. *Organization Science*, 5(4): 594–607.
- [15] Hill, R. M., & Hlavacek, J. D. 1972. The Venture Team: A New Concept in Marketing Organization. *Journal of Marketing*, 36(3): 44–50.
- [16] Kanter, R. 1989. *When Giants Learn to Dance*. New York: Touchstone.
- [17] Lawrence, P. R., & Lorsch, J. W. 1967. Differentiation and Integration in Complex Organizations. *Administrative Science Quarterly*, 12(1): 1–47.
- [18] Lumpkin, G. T., Cogliser, C. C., & Schneider, D. R. 2009. Understanding and Measuring Autonomy: An Entrepreneurial Orientation Perspective. *Entrepreneurship Theory and Practice*, 33(1): 47–69.
- [19] McGrath, R. G. 2001. Exploratory Learning, Innovative Capacity and Managerial Oversight. *The Academy of Management Journal*, 44(1): 118–131.
- [20] Mintzberg, H. 1973. Strategy-Making in Three Modes. *California Management Review*, 16(2): 44–53.
- [21] Newburry, W., & Zeira, Y. 1999. Autonomy and Effectiveness of Equity International Joint Ventures (EIJVs): An Analysis based on EIJVs in Hungary and Britain. *Journal of Management Studies*, 36(2): 263–285.
- [22] Sarasvathy, S. D., & Venkataraman, S. 2011. Entrepreneurship as Method: Open Questions for an Entrepreneurial Future. *Entrepreneurship Theory and Practice*, 35(1): 113–135.
- [23] Shalley, C. E., & Gilson, L. L. 2004. What leaders need to know: A review of social and contextual factors that can foster or hinder creativity. *The Leadership Quarterly*, 15(1): 33–53.
- [24] Wooldridge, B., & Floyd, S. W. 1990. The Strategy Process, Middle Management Involvement, and Organizational Performance. *Strategic Management Journal*, 11(3): 231–241.