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Note on What Corporations Can Learn From Entrepreneurs: Applying Startup Skills to Accelerate Corporate Innovation

It's fair to observe that many big, established organizations tend not to think or act in a very entrepreneurial way. Of course, those of you who manage large organizations (or hold their stock in your portfolio) are probably thinking, "Yes, and it's a good thing that executives don't behave like crazy entrepreneurs." After all, managers of established enterprises are accountable to their shareholders, customers and employees first and foremost to successfully maintain and operate the going concern – and only *secondarily* to grow it and improve on it.

Indeed, Hippocrates' famous dictum to physicians seems to apply equally well to big-company executives: "First, do no harm."

But, fully accepting the corporation's first priority of protecting and maintaining that which it already has, some useful wisdom is demonstrated by the behavior of entrepreneurs – wisdom that can be successfully applied to large organizations. Not only can such entrepreneurial thinking help executives run their mainstream lines of business, but also help to instill greater creativity when planning and launching new businesses or market initiatives from under the corporate umbrella.

This Note provides some thoughts as to how executives can work smarter and more effectively by emulating entrepreneurs. We call these "The Seven Principles of Entrepreneurship":

- Ski with your knees bent.
- Refine the skill of falling down.
- Get comfortable with "close enough."
- Be happy with a "conditional yes."
- Remember that business model innovation is often as important as tech innovation.
- Think small.
- Strive to understand and mitigate risk.

Let's examine these principles in detail.



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