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Internal corporate venturing: Riding the relational rollercoaster through sensemaking and sensegiving reconfiguration

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Internal corporate venturing: Riding the relational rollercoaster through sensemaking and sensegiving reconfiguration

ABSTRACT

Purpose

Internal corporate venturing is a vehicle for firms to realise strategic and financial goals through entrepreneurial ventures. Prior research presents a strategic process in which individual managers make rational choices based on their formal roles and top-down corporate objectives. Recent work has challenged this by adopting a relational approach using a macro-level perspective highlighting cultural and institutional logics. This study augments and develops this relational approach by contributing a micro-level perspective by focusing on managers engaged in developing ventures in large organisations. The data show how internal corporate venturing actors use discursive practices to make sense of their relationship contexts and develop interpretive repertoires to give sense to their decisions and shape their future strategies. The data illustrates how corporate venturing actors make sense of their uncertain experience and develop insider-outsider strategies by balancing three competing interpretive repertoires, which form the basis of strategies supporting an entrepreneurial future in an organisational context.

Study design

Forty-two (42) interviews were conducted with internal corporate venturing actors, including senior directors of corporate venturing units in multinational corporations and their venture project leaders. The authors conducted a micro-level study through an interpretive sensemaking analysis of managers' 'talk.' Interviews are considered through three lenses: 'functional talk' (why they said it), 'interpretive themes' (what they said), and 'interpretive repertoires' (how they said it).

Findings

The perceived challenges experienced by the participants through their relationships were identified. Participants emphasised balancing project and organisational role risk in pursuing venture development, leading to a perceived dependent trust relationship between supporters. Three interpretive repertoires were identified through which participants positioned their explanations of their relationship contexts in internal corporate venturing. Participants used these to discursively frame their corporate venturing practices and position their future strategies.

Value

A new framework of corporate venture sensemaking and sensegiving reconfiguration is provided to explain how managers discursively resolve conflicting relationship pressures while maintaining personal positioning. The paper shows how conflicting interpretive repertoires and personal interpretations are generated through a discursive practice comprising sensemaking and sensegiving reconfiguration processes to shape their future strategies. The paper contributes to theory by explicating the relational perspective of internal corporate venturing at the micro-level and demonstrates how this is influenced by the discursive practices of managers leading ICV activity.

Keywords: Internal Corporate Venturing; Sensemaking; Sensegiving; Discursive Practice;

Structuration

1. INTRODUCTION

Corporate venturing (CV) as a form of corporate entrepreneurship (Kuratko and Hoskinson, 2019) has been used by corporations for strategic renewal (Huang, 2009) and to develop new businesses (Hill and Georgoulas, 2016; Masucci *et al.*, 2021). It is an important way to promote 'ambidexterity' in strategic innovation and enable companies to exploit strengths while exploring new opportunities (Enkel and Sagmeister, 2020; Vanhaverbeke and Peeters, 2005). During periods of economic growth, demands for CV grow (Wallin and Dahlstrand, 2006), and consequently, it has gone through episodic historical and economic cycles (Dushnitsky, 2012).

This paper focuses on internal corporate venturing (ICV), popularly defined as "*activities that result in the creation of organizational entities within an existing organizational domain*" (Hill and Georgoulas, 2016, p. 15). The study specifically explores members of corporate venture units (CVUs) responsible for developing and managing new internal corporate ventures (Lücke *et al.*, 2024). Such research adds value because CVUs manage complex strategic and financial decisions related to ICV activity while facing and managing a range of internal socio-political challenges (Hill *et al.*, 2009; Klofsten *et al.*, 2021; McGrath, 1995; Zhang and Biniari, 2021). CVU managers are, therefore, required to position ICVs effectively in relation to a wide range of external and internal demands (Biniari *et al.*, 2015; Souitaris and Zerbinati, 2012). Their role is contested and political; they contend with significant internal envy for ICV resources and latitude from others within the firm (Biniari, 2012).

CV research has often presented managers as 'rational' decision-makers (Darroch *et al.*, 2005; Jones and Butler, 1992), and consequently, the issues associated with how ICV managers navigate complex political relationships remain under-researched (Audretsch *et al.*, 2021; Zhang and

1 Biniari, 2021). Our research explores this gap by focusing on members of CVUs and considers
2
3 how they engage in 'sensemaking' (Fletcher, 2006). Just as for independent entrepreneurs, CVU
4
5 and internal corporate venture (ICV) managers also engage in politicised 'sensegiving' processes
6
7 (McAdam and Marlow, 2011) to provide certainty where there is ambiguity, and 'sensebreaking'
8
9 where existing norms are challenged (Rouleau and Balogun, 2011). The use of metaphors, stories,
10
11 rhetoric, and other communicative acts are considered methods of 'meaning-making' that managers
12
13 use in their discursive practice to lend legitimacy, attract social engagement, and build relational
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15 capital for the ventures being formed (Hill and Birkinshaw, 2008).
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20 Given this, the research question is, "**How do managers construct meaning about their**
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22 **practice while positioning their strategies for internal corporate venturing?"** Due to the
23
24 complexity of their practice, this question is approached in three stages of analysis. First, the study
25
26 considers how venture managers 'make sense' of their personal experiences by examining their
27
28 functional talk and why they position their CV activity in particular ways. Second, the study
29
30 analyses how they navigate these relationships, exploring the content of their talk and reviewing
31
32 their interpretations of key relationships. Third, as these relationships occur within complex socio-
33
34 political environments, the study investigates how managers 'position' their explanations of
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36 relationships within the context of the firm's social relations. The way CV discourse is constructed
37
38 is reviewed using interpretive repertoires to consider how CV managers build legitimizing
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40 narratives.
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46 The study's contribution goes beyond the current research on CVUs, by unravelling the
47
48 lived experience of ICV managers and by dissecting how managers navigate complex political
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50 relationships in developing strategic decisions. Most research in sensemaking focuses on the
51
52 outcomes of sensemaking rather than the process itself, as illustrated in Figure I (Schildt, Mantere,
53
54 and Cornelissen, 2020). The work contributes by showing how CV managers actively frame their
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1 venturing experience to make sense of their CVUs practices and the ventures they support, shaping
2
3 their ambitions and goals. This contribution to the relational view of corporate venturing provides
4
5 a micro-level perspective on the sensemaking process of CVU managers as they operate within
6
7 complex systems.
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10 The paper begins by reviewing prior approaches to managerial relationships in corporate
11
12 venturing. These are considered from a 'sensemaking' perspective, exploring how they impact
13
14 interpretations of the venture process. A multi-stage qualitative analysis designed to capture
15
16 manager sensemaking in three forms is introduced: 'functional talk,' 'interpretive themes,' and
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18 'interpretive repertoires.' The study examines how CV managers make sense of their relationships,
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20 justify their practices, and discursively construct their strategies through interpretive repertoires.
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22 The paper concludes with an empirical framework and implications for future research and
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24 practice.
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30 2. RELATIONSHIPS IN INTERNAL CORPORATE VENTURING

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33 The relationship between CVU managers, senior executives, and venture managers is
34
35 evolutionary, with the CVU manager playing the part of 'broker' or 'relationship builder'
36
37 (Burgelman and Välikangas, 2005). Relationship building is a critical competence for these
38
39 managers (Day, 1994) as they work across the organization to build and monitor venture teams
40
41 while liaising externally with stakeholders (Chesbrough, 2000; Vanhaverbeke *et al.*, 2008).
42
43 Strategy for corporate ventures can be viewed as a 'socially constructed' process with much co-
44
45 creation occurring (Souitaris *et al.*, 2012). Managers establish and develop ventures while co-
46
47 creating strategic imperatives, governance, and structures for venturing within the firm (Zhang and
48
49 Biniari, 2021; Biniari *et al.*, 2015; Biniari, 2012). This process is a form of 'sensemaking' for those
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51 involved (Weick, 1995).
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2.1 *Sensemaking and internal corporate venturing*

Negotiation between stakeholders in the ICV process leads to a trial-and-error process of discovery which is a form of 'sensemaking' (Garud and Van de Ven, 1992). 'Sensemaking' is both a cognitive process occurring in the mind of the individual and a socially constructed process, which occurs through social practices and shared meaning (Maitlis and Christianson, 2014). Research considers sensemaking to be a process of becoming (Anderson, 2005), involving movement from a diversity of opinion to a consensus among actors (Jones and Spicer, 2008). Within entrepreneurial startups, this is observed to be a movement away from disequilibrium and ambiguity towards greater certainty in a venture's development (Fletcher, 2006).

Such sensemaking plays a role in how internal ICV managers interpret new technological solutions and associate these with the identification of specific markets (Garud and Van de Ven, 1992). Communication is also initiated by ICV managers to create awareness about solutions and technologies, designed to lead to sensemaking by middle managers, who then consider how new activities can relate to a company's strategic goals. This process leads to informal social contracts between CVU managers, ICV managers, and other stakeholders, as each actor constructs a shared sense of meaning from the information available (Narayanan *et al.*, 2009).

While prior approaches to ICV sensemaking emphasize the movement from equivocality to certainty, these prior studies give more weight to the individual's private sensemaking and somewhat underestimate the social aspects of sensemaking (Watson, 2008). Such models are used to generalize from discrete actions, but they fail to consider the relationship contexts within which sensemaking takes place, which is a critical component of the process (Cunliffe, 2008). This blindness to the influence of social context has been a general weakness of CV research (Zhang and Biniari, 2021; Biniari, 2012).

1 Other studies illustrate that the context in which ICV occurs has an impact on the outcomes
2
3 of the process, as CVU managers struggle to achieve legitimacy for the program initiatives and
4
5 ventures they oversee (Hill and Birkinshaw, 2014). Managers find it difficult to balance program
6
7 autonomy with the financial and strategic contributions expected (Garett and Covin, 2013). The
8
9 CV process is consequently socio-political in nature and sensemaking produces meaning for the
10
11 ventures that CVU managers oversee. It is, therefore, important for researchers to engage in
12
13 empirical studies that view the sensemaking process as a social phenomenon, as well as a cognitive
14
15 one. This study consequently seeks to investigate how CV actors make sense of ICV activity within
16
17 the specific social context where it occurred and investigate how managers use language to give
18
19 sense to their practice and generate strategies.
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24 **2.2 *The impact of social relationships and sensemaking on ICV development***

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26
27 Relationships in ICV contrast with traditional managerial roles (Zahra, 2005). Managers in
28
29 traditional roles within companies are involved in predictable, routine work that is organized
30
31 within departments, units, and/or divisions, leading to a shared understanding of activities or
32
33 'departmental thought worlds' (Dougherty, 1992). Coupled with organizational routines this
34
35 creates an impetus to conform to the expectations of certain social groups (Prasad, 1993). These
36
37 shared ways of organizing thought and action, or 'interpretive schemes', can lead to an implicitly
38
39 agreed, shared explanation of the process (Dougherty, 1995). An ICV manager's prior work
40
41 experiences and relationships can thus influence how they make sense of the venturing process.
42
43 This 'making sense' of internal corporate venturing is also considered to differ from that of
44
45 independent entrepreneurs because of these previously experienced interpretive schemes (Corbett
46
47 and Hmieleski 2007; Rae, 2002). There is a tendency for powerful social networks to develop
48
49 around organizational divisions and departments with implicit rules and expectations of behavior
50
51 (Prasad, 1993). As they engage in new sets of practices, ICV managers cope with greater levels
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1 of ambiguity and uncertainty (MacMillan *et al.*, 1984), which impacts their organizational identity
2
3 of 'who we are' (Corley and Gioia, 2004).
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6 Structural and planning autonomy is also a feature of corporate venturing that can facilitate
7
8 the success of ventures (Covin *et al.*, 2021). Dougherty (1992, 1995) found that the development
9
10 of an ICV unit facilitated the development of new interpretive schemes as ICV teams interacted
11
12 with managers in a wide range of departments and with new customers, as well as with prospective
13
14 investors. The process provides opportunities to challenge departmental thought worlds and feed
15
16 new insights back into the organization (Dougherty, 1995). It is not unusual for ICV efforts to
17
18 lead to the development of new alternatives to accepted institutional practices that challenge the
19
20 existing organizational identity and corporate strategy (Dougherty, 1992; Zhang and Biniari,
21
22 2021). As a result, there can be an inherent institutional tension between ICV initiatives and other
23
24 approaches in the firm (Burgelman and Välikangas, 2005; O'Connor, Corbett, & Peters 2018).
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30 Communication is dependent on ICV managers' relationships with corporate middle
31
32 managers and sponsors, and this is a political process. The potential for individuals to introduce
33
34 new ideas through relationships with others within a politicized environment also suggests a 'sense-
35
36 giving' process, through which communicative acts are shaped to present legitimacy (Maitlis,
37
38 2005). Corley and Gioia (2004) note how the development of a corporate spin-off required senior
39
40 managers to actively engage in sensegiving to support the transition of spin-out staff who grappled
41
42 with ambiguity and their new identity. In the context of traditional independent entrepreneurship
43
44 McAdam and Marlow (2011) illustrate how the uncertainty of the venture development process
45
46 led to a sensemaking process through which incubator intermediaries shaped entrepreneur's
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48 proposals to fulfill investor's expectations. This equated to a politicised sensegiving process as
49
50 investor's control over financial resources meant their expectations were prioritized (McAdam and
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52 Marlow, 2011). It is thus proposed that such a sensegiving process may occur within ICV as part
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1 of CVU managers' engagement in navigating the political ICV development process (Zhang and
2
3 Biniari, 2021). As managers work with a range of intermediaries to create meaning around the
4
5 practices of ICV they also position the activity of CV more generally within the firm.
6
7

8 The discursive practice of the different participants is examined in our study to provide
9
10 further understanding regarding the role of participant discourse in sensemaking and shaping CV
11
12 activity (Hill and Birkinshaw, 2014; Zhang and Biniari, 2021). We acknowledge that managers
13
14 draw on their experience of socio-political systems in sensemaking to interpret that experience.
15
16 We also recognize that managers further shape their strategies through sensebreaking to disrupt
17
18 perceived norms and sensegiving to generate legitimacy (Schildt *et al.*, 2020). The inter-
19
20 relationships between these three processes are illustrated in Figure I. We contribute to theory by
21
22 examining sensemaking in corporate venturing and conceptualizing it as a micro-level relational
23
24 process that develops through discursive practice. We consider how managers 'make sense' of
25
26 ICV practice and 'give sense' to ICV strategies within the context of competing stakeholder
27
28 influences, shaping their strategies (as illustrated in Figure I). Next, the methodology is introduced.
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34 **[Insert Figure I]**
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36 **2. METHODOLOGY**

37

38 Gaining access to companies for this type of research can be challenging (Garrett and
39
40 Covin, 2015) due to the limited number and seniority of practitioners in corporate venturing, the
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42 high demands of their work, and the practicalities of navigating large organizations to reach them.
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44 Access was gained by attending publicly accessible corporate venturing conferences¹, using
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46 delegate lists and internet searches.
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52 **[Insert Figure II]**
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4 Our study design is summarised in Figure II. The research started with a combination of
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6 convenience and purposeful sampling (Lincoln and Guba, 1985; Saunders *et al.*, 2012) with the
7
8 aim to engage a wide set of participants across varied organizational contexts to support the
9
10 identification of common ICV experiences of these unique practitioners across varied
11
12 organisations. Representatives were contacted from 29 CVUs in multinational firms who had
13
14 publicly recognised corporate venturing programmes. These firms were engaged in a wide range
15
16 of industries, with venture projects and support organizations which tended to emphasise
17
18 technology-based venture development, including high-tech manufacturing processes and
19
20 computer engineering. Only representatives directly involved in ICV were interviewed.
21
22 Interviewees were asked to identify others in their organization who could provide a perspective,
23
24 allowing the approach to apply triangulation in its sampling method by also using snowball
25
26 sampling (Heckathorn, 2011). This step led to interviews with 11 additional CVU managers.
27
28 Furthermore, three sampling methods (convenience, purposeful, and snowballing) were used to
29
30 source the interviewees for the study.
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37 A total of 42 participants were interviewed, including 29 CVU managers with senior and
38
39 middle management roles at 16 multinational firms and four large UK companies. In addition, 13
40
41 participants involved in venture management roles were interviewed from nine ICV projects. Due
42
43 to the multinational operations of the organisations contacted, the research participants were in
44
45 offices in the UK, Europe, the USA, and the Far East (see Table I).
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49 **[Insert Table I & Table II]**
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52 Interviews were semi-structured and questions were framed to identify the sensemaking
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54 concepts discussed. The interview began with discussions about how participants became involved
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1 with CV. It covered their role, activities, and their knowledge of ICV within their organisations.
2
3 Additional open questioning was designed to allow interviewees to talk freely and this approach
4
5 used probes to encourage the conversation flow. Interviewees were encouraged to reflect more
6
7 deeply on their perceptions and their sense of other participants' views. The interview questions
8
9 are presented in Table II. Interviews were about one hour with the longest taking two hours.
10
11 Interviews were recorded via writing detailed verbatim notes as participants spoke and these were
12
13 immediately transcribed after the interview. Data analysis was conducted using both NVivo and
14
15 manual coding (Strauss and Corbin, 1990) as explained next.
16
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19

20 **3.1 Conducting a sensemaking analysis of ICV**

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22

23 Sensemaking research focuses on the analysis of texts such as language and discourse
24
25 (Weick, 1995). Constructivist approaches to sensemaking analysis focus on how sensemaking
26
27 occurs through language and use content analysis to determine linguistic production (Brown *et al.*,
28
29 2008). Conversely, interpretivist approaches to sensemaking analysis focus on how social reality
30
31 is constructed by individuals based on their lived experience through discursive practice (Corley
32
33 and Gioia, 2004; Sandberg and Tsoukas, 2015). Despite differences, each approach traditionally
34
35 limits analysis to the level of individual interactions and thus considers these aspects out of the
36
37 context of the wider social and power relations that shape sensemaking (Schildt *et al.*, 2020;
38
39 Sandberg and Tsoukas, 2015). When examining sensemaking in ICV from a relational
40
41 perspective, there is a need to understand it within the context of the influence of these wider social
42
43 and power relations. Doing so will provide an insight into sensemaking as a micro-level practice
44
45 of ICV managers within the context of wider institutional frameworks in which the activity occurs
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51 (Audretsch *et al.*, 2021, Zhang and Biniari, 2021).
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1 This analysis involved treating interviews as discursive practices through which social
2 reality is produced by participants (Orlikowski and Scott, 2015). This practice involves three key
3 dimensions. The first is the rhetorical purpose of speech (e.g., giving an interview), and the second
4 is the internal sensemaking process of the speaker (reflexivity). Here, Dimov and Pistrui (2020)
5 note that while entrance into discursive practice requires interpretation of social context and
6 commitments (reflexive sensemaking), it is exited through intended actions as actors engage in
7 shaping their context (sensegiving). The third level relates to the wider sociopolitical discourses
8 that practitioners draw on to shape their discursive practice. As indicated by Steinfield (2021),
9 discursive practice can be limited by competing discourses, but it is also through discursive
10 practice that these discourses can be transformed.

11 Jørgensen *et al.* (2012) note the value of integrating multi-stage sensemaking and critical
12 discourse analysis to analyze sensemaking at the level of individual actors within organizations
13 while maintaining representation of the wider discourses that influence this process. In this study,
14 a similar approach was adopted to investigate participant's sensemaking through discursive
15 practice while allowing for the influence of socio-political contexts (Weick, 1995; Giddens, 1984).
16 This led to the development of multi-stage discursive practice analyses to create a comprehensive
17 picture of ICV sensemaking. This systematic approach identifies how participants make sense of
18 parent-venture relationships through personal accounts of experience, while also allowing for the
19 influence of the wider socio-political contexts to produce these accounts (Souitaris *et al.*, 2012).
20 The three stages of analysis involve examining how participants explained their involvement in
21 ICV (why they said it), their interpretations of their experience (what they said), and the
22 'interpretive repertoires' being used (how they said it). These three distinct stages of the analysis
23 of the data are outlined in Table III.

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[Insert Table III]

3.2. Stage 1 - Functional talk

The first stage of data analysis explores the surface level of communication by treating the 42 interview transcripts as functional talk, paying attention to the context in which the interview took place as well as the content of what was said and how it was structured. Through functional talk, practitioners put forward their interests to create an image of themselves, their practice, and the organisations within which they work via rhetoric (Holt and Macpherson, 2010; Heracleous, 2006). In this sense, participants did not approach the interviews as neutral respondents, but actively drew the interview into their own ICV discursive practice as they would any other professional external engagement. Beyond the purposive rhetoric used, we noticed that interviews also worked as 'sensemaking' mechanisms. The interviews provided an opportunity for the participants to be candid, with a neutral party (the researchers) about their own personal decisions, practices, and projects.

3.3. Stage 2 - Interpretive thematic analysis

The next stage explored participants' active sensemaking as they reflexively formulated their responses during interviews. Through interpretive thematic analysis, we systematically identified 365 emergent codes representing the participants' interpretations of ICV relationships using the constant comparative method (Glaser, 1965). Coded extracts were re-read and considered as they related to identified relationships in ICV to develop first and second-order codes, and this stage provided a multi-faceted account of the participant's perceptions of processes, relationships, and key protagonists (McAdam and Marlow, 2011). From this work, aggregate dimensions were identified, and this overall process allowed the researchers to understand how participants 'made sense' of their relationships and experiences (Corley and Gioia, 2004).

3.4. Stage 3 - Interpretive discourse analysis

The final stage treated the interview transcripts as a 'set of texts' to explore the social rules and resources drawn upon in interviewees' talk (Jørgensen *et al.*, 2012; Heracleous, 2006) to give sense by framing their narratives through 'interpretive repertoires'. This method explores more in-depth aspects such as meaning, power, and legitimacy, as evidenced by participant's reflections (Stones, 2005; Giddens, 1986). The method explores perspectives and focuses on terminology, phrases and the rhetorical devices used.

4. FINDINGS

Interview transcripts were analyzed as texts in three different ways at the level of functional talk, interpretive themes and discourse. The paper presents the results of each separately, before addressing the research question through a combined conceptual framework.

4.1 Functional Talk – Uniqueness, ambiguity, and challenges (*Why they said it*)

4.1.1. *Actively promoting the vital uniqueness of CV activity and managers' intentions through discursive practice*

Participants stressed the unique, innovative track record of their organizations, ventures, or personal roles. They emphasized how unusual their roles were compared to 'normal' business and their high level of skill and experience. This effort to present a certain picture suggested that 'sensegiving' was part of their professional toolkit. It illustrated that they were accustomed to being interviewed and pitching their ICV activity. They referred to their involvement in media stories, industry conferences, and academic research and talked about occasions when they had to convince others about ventures. The interviewees thus drew the interviews into their ICV practice, rather than passively reporting facts, which included presenting their firms as forward-looking, prestigious, and rigorous:

1 *"...we were already eyeing this method of creating growth and innovation within the*
2 *company for a while..."; "We look at best class"*

3
4 As well as presenting themselves as skilled, experienced, and forward-thinking:

5
6 *"I've always been in the mode of taking a technology, forming a product and delivering*
7 *to customers"; "I have always been interested in new things...and I am biased towards*
8 *that space"*

9
10
11 CVU managers' use of impression management was noted in the study as they carefully
12
13 considered 'why they spoke' and what they wished to emphasise to the researchers. Understanding
14
15 why they spoke provided a first step towards understanding their 'sensemaking' efforts.

16 17 18 19 *4.1.2. Making sense of ambiguous futures and differences of opinion*

20
21
22 Participants built on the researcher's questions to engage in reflection (Cope, 2005; 2011)
23
24 by retrospectively considering their own personal decisions, practices, and projects. This included
25
26 candidness on personal competence and experience (e.g., *"I guess the bit I lack is the creativity"*),
27
28 their personal options (e.g., *"...even if the company gets bored of this, I can frankly go off and get*
29
30 *another role"*) and the future (e.g., *"this doesn't mean no to venturing but we may be required to*
31
32 *be different in future"*). When probed about their feelings and other's perceptions of them, despite
33
34 their initial impression management efforts, participants expressed uncertainty about the long-term
35
36 prospects of CV activity and noted the problematic nature of relationships. There was thus a
37
38 disconnect between the initial confidence of participants, about ICV and their contribution to it
39
40 and their reservations about long-term prospects and critical relationships. Through this initial step,
41
42 we determined that participants used the interviews as part of their ICV practice. They rhetorically
43
44 pitched the importance of their work and the successes of their organisations, their experience with
45
46 ICV, and talked about their personal role in achieving success. Simultaneously, their candid
47
48 reflections during interviews indicated some rhetorical hedging of their activity in relation to
49
50 mitigating their rhetorical pitching by acknowledging the difficulties they faced in striving to
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1 achieve success. This overall presented a multi-faceted impression of interview participants as
2
3 driven, skilled practitioners operating in challenging contexts which affected their ability to
4
5 achieve their goals.
6
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8 Alongside this, the first step in our analysis allowed us to identify the range of relationships
9
10 participants engaged in. Key relationship forms identified in the literature were confirmed, and
11
12 further forms were identified in the analysis. The analysis shows many similarities across the
13
14 sample. A summary is provided in Table IV.
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17
18 **[Insert Table IV]**
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21 Internal relationships included senior corporate management, corporate division
22
23 management, and venture managers. External relationships included venture capitalists and
24
25 external entrepreneurs. Venture managers referred to similar sets of relationships as CVU
26
27 managers. The data did show a 'division of labor' between actors. CVU managers focused on
28
29 'financial intermediation' and relationships that support venture investment, while venture
30
31 managers focused on the immediate relationships necessary for the venture being developed (e.g.,
32
33 relationships with customers and suppliers). Reference was made to collaboration where they
34
35 managed wider relationships and built support for venturing activities in general (e.g., the
36
37 corporation's general venturing efforts) and specifically (e.g., for individual ventures being
38
39 incubated). This point is noted in prior research (Kurakto *et al.*, 2004) showing that there is a
40
41 transactional transfer of resources and information between CVU and venture managers. The
42
43 interviews provided a deeper picture suggesting a more significant and complex relationship than
44
45 previously understood (Hill and Birkinshaw, 2014). To explore the impact of engaging in these
46
47 relationships further, interpretive thematic analysis was undertaken to explore 'what they said'
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49 more systematically.
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4.2 *Interpretive thematic sensemaking analysis (What they said)*

Interpretive thematic analysis was used to identify emergent themes within the data, and this approach aimed to explore participants' sensemaking. The initial coding drew on Table III as a guide to further explore how participants made sense of relationships. The thematic analysis enabled a multi-faceted account of participants' perceptions of common processes and relationships in the development of an ICV and did so from the perspective of key participants. Sample-coded quotations are provided in Table V, with illustrative quotations from this included in the discussion below. The outcome of this work is presented in Figure III and the resulting four aggregate dimensions are outlined below.

[Insert Table V and Figure III]

4.2.1. *Navigating expectations in ICV relationships*

The first aggregate dimension related to how ICV practitioners responded to wider stakeholders. CVU managers emphasized their attempts to create legitimacy without consensus in their interactions with other corporate managers. Venture managers emphasized their attempts to develop independent ventures and explained their relationships in the context of the venture creation process. At times the different goals of these two types of managers were aligned in their reflections on efforts to work closely together to steer ICV projects through internal corporate processes.

Corporate venturing usually aims to achieve financial and/or strategic objectives (Covin and Miles, 2006). CVU managers did emphasize financially related goals and related these to the financial performance of the division. They also expressed concerns about the short-term nature of these goals. In the data, strategic goals tended to be a secondary consideration. When these were considered, they focused on efforts to exploit emerging markets and focused on venturing to

1 develop opportunities for internal organizational and professional development. As one CVU
2 manager explained, these goals were not always commonly agreed and there could be ambiguity
3 around goals for CV activity, creating some inherent challenges.
4
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7
8 *"I remember a chief executive said it was good for morale raising, but it wasn't about that.
9 It was about new business development."*
10

11 In addition to the potential for disagreement over strategic purpose, CV activity is novel
12 for many firms (Burgers *et al.*, 2009). This novelty created a need for CVU managers to understand
13 the requirements of senior executives to gain support and influence how resources were provided.
14 One manager noted the difficult negotiations this could entail when seeking to convince board
15 members.
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22
23
24 *"I have the idea that I have to use very simplistic twelve-year-old language to make sure
25 he understands me. I don't like that I have to do that."*
26

27 Lack of understanding from colleagues illustrated that CVU managers felt isolated from their
28 peers. Isolation was caused by a lack of awareness and a lack of a common language, and it
29 manifested itself as a sense of being stuck between two different worlds: between venturing and
30 normal corporate practice, what O'Connor *et al.* (2018) refer to as "newstream" versus
31 "mainstream." For example:
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38
39 *"At times, it can be incredibly lonely because there is no one in the company who
40 understands what I do."*
41

42 This theme in the data highlighted the political nature of the CVU role. It illustrated the need to
43 work across the corporation to create legitimacy for ICV efforts and to secure resources. It also
44 revealed the challenges involved when attempting to set and agree on corporate expectations and
45 priorities for the CVU due to the novelty and uncertainty of the work. The ambiguity of venturing
46 purpose, led participants to act in opposition to other values in the organization, which created a
47 sense of isolation for those concerned as they attempted to promote ICV activity.
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4.2.2. *Nurturing ICV teams and mitigating exposure*

The next aggregate dimension is related to CVU managers' perspectives on working with venture managers. This relationship was peppered with challenges, including recruiting, promoting, protecting, and monitoring ICV managers while nurturing these teams and mitigating their exposure to uncertainty. The unpredictability of the ICV process created a challenge for relationships, which participants referred to as an 'emotional rollercoaster':

"...a project can lurch from looking really healthy to a complete waste of time overnight"

Unpredictability impinged on considerations regarding the sourcing of venture managers for new projects. Emphasis was placed on the need for venture managers to show enthusiasm and emotional commitment:

"You've got to be open to opportunities and get people fired up so people can see it's worth doing this" versus, "If I see someone who wants to stay in a darkened room, I don't get excited about them."

Concern about finding people who could manage the uncertainty of the venturing process often led to efforts to recruit externally. Many CVU managers noted a lack of individuals with the required outlook within the corporation and saw this as a reason to look for experienced external entrepreneurs who could be bought in to lead projects. Where venture managers were already engaged, CVU managers presented themselves as dedicated to aiding and protecting the venture manager against wider pressures, while providing support for the venture and its team. Some noted that they were also responsible for stopping projects when it seemed unlikely that they would succeed. In one case this meant being careful when developing personal relationships with venture managers:

"...you know that a large number of investments are going to fail and you don't want to get very close to their wives and children."

Uncertainty in the ICV development process, therefore, was perceived to affect the quality of

1 relationships among ICV practitioners. Despite the uncertainty, CVU managers focused on the
2 progress of venture development through recruitment and personal mentoring, as well as
3 promoting ventures within the corporation. While managers protected and promoted the venture
4 from negative impacts, they also monitored performance in case the venture needed to be
5 discontinued.
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13 4.2.3. Liberated pioneering and anxiety of uncertain support 14

15 This aggregate dimension focused on the role of internal corporate venture managers.
16 Venkatamaran *et al.* (1992) argue that a venture manager's primary goal is the successful
17 development of their ICV project. Venture managers emphasized the need for advocacy,
18 commitment, and grind to achieve their aims. Their motivations for focusing on the venture
19 development process were emphasized in the data. Managers were seeking impact from the
20 technology they had developed, were aiming to create change in industries, and, in some cases,
21 wanted to obtain a personal financial return. Regardless of their individual motivations venture
22 managers emphasized how their project team shared a focus and commitment to the venture to
23 overcome obstacles:
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37 *"There were times in the business when I wondered if I would ever carry on, but you and the*
38 *team create something that works."*
39

40 These managers expected support and commitment from their relationships with CVU managers
41 but at least one venture manager indicated this could not be guaranteed:
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44
45

46 *"When I first met with the CVU manager he was a thorn in my side. Since he has been*
47 *associated with the business, he now realizes how complex this business is and that you have*
48 *to keep your finger on the pulse every day of the week."*
49

50 CVU manager's involvement in multiple projects was seen to mean that they could not be expected
51 to understand the specific challenges faced by each venture. This created apprehension that the
52 CVU manager may make decisions about whether to support or cease a venture project based on
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1 flawed information or processes. Venture managers were concerned whether CVU managers had
2
3 the appropriate experience and understanding of their unique needs and whether they shared their
4
5 perspectives and beliefs. Venture managers also emphasized the sense of freedom and tangibility
6
7 of their experience when compared to their previous work:
8

9
10 *"It is liberating to be out of the big corporate world with all of its constraints, and there*
11 *being so much immediacy to what we do."*
12

13 CVU managers spoke of the need for ICV managers to engage in stepping up their efforts in order
14
15 to achieve but also stepping out of normal corporate ways of working to do this. They noted the
16
17 attraction and sense of liberation felt by the venture managers who worked on CV projects:
18

19
20
21 *"It was a bit like being a bit of a pirate, slightly swashbuckling, everyone could see you were*
22 *rocking the system. We were not rocking from the start but there was something very*
23 *attractive about what we were doing. Everyone loved it because of its subversions."*
24

25 At the same time, the position of ICV projects and teams in relation to the firm was a concern for
26
27 many:
28

29
30
31 *"In terms of where we sit and will continue to sit in the business that is an open question. We*
32 *need to think about how we deal with this as it gives slight uncertainty."*
33

34 Venture managers felt apprehension due to uncertainty over the political process and the viability
35
36 of the CV unit itself. The venture's structural position within the organization and the impact of
37
38 strategic changes and leadership on the wider organization were also concerns.
39
40

41 42 4.2.4. Developing commitment and shared trust 43

44 While CVU managers and venture managers presented different perspectives there was
45
46 mutual reliance on their relationship to develop ventures. This aggregate dimension revolved
47
48 around the ways they worked together to develop projects. Championing is described as a key
49
50 activity of middle managers in supporting venturing activity (Raisch and Birkinshaw, 2008) but
51
52 interviewees referred to this as an activity that both venture managers and CVU managers worked
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1 on together. Some noted that lobbying for support for individual projects was important, requiring
2
3 managers to use their knowledge and position to ensure project survival:
4

5
6 *"We had to hold back the corporate dragon waiting in the background to kill any new idea
7 and venture."*
8

9
10 *"So, one of the ones running the venture went very early to where the CEO of the whole
11 company lived and walked with him all the way to work, and by the end, the chief executive
12 was convinced."*
13

14 Interviewees referred to situations where they manipulated relationships to enforce the
15 development of an ICV project, where corporate support was inconsistent or mistaken. Like
16 Pinchot's (1985) and Whittle and Mueller's (2006) descriptions of covert attempts to shape
17 impressions of projects, it was clear that managers worked stealthily to ensure project survival:
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23
24 *"I was told three times to cease work on the project, and I didn't; I just keep flying under the
25 radar enough for them to change their minds...The CVU manager, as a director, was taking
26 an interest and saying 'Yes, I will stump up the money,' even though he hasn't got it".*
27
28

29 Other interviewees referred to a different 'brokering role'. Here CVU managers acted as
30 ambassadors, going between corporate division managers and venture managers, with the aim to
31 better develop an understanding of the needs and formal expectations of both:
32
33
34

35
36 *"Her role is to talk the same language as we talk as a start-up, and she knows how the
37 corporate organisation's systems work and can bridge between the two, and that is
38 valuable in her approach."*
39
40

41 There were thus two ways in which venture and CVU managers worked collectively to address
42 uncertainty. The first used organizational knowledge and existing relationships to be
43 'entrepreneurial advocates' or work as 'covert subversives' manipulating to ensure ICV activity. In
44 the second, they act as 'negotiators' and 'translators', contextualizing and communicating, aiming
45 to bridge the 'contextual' and 'communication' gaps that exist between venturing and the general
46 activities of the firm. They use their understanding of the day-to-day practices of the company to
47 help facilitate the unconventional needs of venture managers grappling with the venture
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1 development process. In both, it was evident that a high level of uncertainty, both in venturing
2 projects and the wider political climate, led CVU managers and venture managers to place great
3 importance on trust and understanding in their relationships with each other. This sense of
4 dependency was explicitly outlined:
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11 *"If they or I or someone in the technology incubation team finds something else to do, then*
12 *the venture team may worry about what will happen with relationships. We can drop the*
13 *ball, but we're happy in our jobs, so no risk there."*
14

15 Together the themes that emerged illustrate how the sense of unpredictability of venture
16 development and uncertainty in organizational support is resolved through a perceived need to
17 develop mutual trust and commitment amongst ICV practitioners. The data highlight differences
18 in perspective between CVU managers and venture managers. CVU managers sought to promote
19 the development of ventures while mitigating risk to their strategies. Venture managers, in
20 contrast, sought the freedom to pursue a new opportunity while simultaneously wresting control
21 of this strategic endeavour. This suggested that the shared objective of ICV success by practitioners
22 was subjected to tensions in different perceptions of the best strategies to pursue it. These themes
23 illustrate the effect of a perceived need to navigate tensions with wider stakeholders. The tensions
24 create uncertainty and set the basis for the managerial perception that they must take ownership of
25 their own strategic ICV priorities to overcome tensions and achieve objectives. Such strategic
26 leadership creates a sense of mutual dependency for ICV practitioners, deepening emphasis on
27 trust and commitment with core ICV actors who share related priorities. Summarizing, the shared
28 perception is of a fragile 'outsider' existence for ICV participants, that is only maintained through
29 a determination to achieve common 'insider' objectives. Consequently, we were encouraged to
30 engage in a further step in the analysis, which aimed to explore how the interviewees drew on
31 wider discourses to position their actions and strategies. This step analyzed the 'interpretive
32 repertoires' used to explore 'how they said it'.
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4.3 *Discourse analysis (How they said it) – Sensegiving through interpretive repertoires*

The prior analysis illustrates how participants make sense of their roles. It explains how interviewees present themselves as engaging in an uncertain and ambiguous activity that is dependent on key ICV practitioners while navigating wider stakeholder contexts. The analysis, however, isolates certain stories and interpretations rather than considering how sensemaking is situated in relation to social context. The positioning that the interviewees make of a *'fragile outsider existence only maintained through a determination to achieve a common insider objective'* can be better understood when exploring how participants discursively framed their practices and strategies. This step looks at the general taken-for-granted social rules and linguistic resources being drawn on in the texts. Discourse analysis was used to treat the interview transcripts as a set of texts (Giddens, 1984), and as a result, three 'interpretive repertoires' were identified. It is through these interpretive repertoires that interviewees positioned and explained themselves, their decisions, and actions in relation to the stories and challenges they tell. Sample-coded quotations are provided in Table V, with illustrative quotations from this included in the discussion below. Figure III depicts the empirical framework derived from this discourse analysis.

[Insert Table VI and Figure IV]

The first interpretive repertoire was that of *'escaping the corporate body-politic'*. This was a dominant repertoire drawn on by participants when framing the issues raised. This was evidenced in the weight of importance placed on corporate authority, norms and values. In this repertoire participants made sense of their career decisions through reference to corporate values. Sometimes they actively drew on these or illustrated how they positioned themselves regarding such values.

"My mind works in our own defined corporate competencies..."

1 While they referenced the company's standard corporate financial projections (e.g., timeframes,
2 risk tolerance, and strategic relevance), the participants used these as examples of being slow,
3 automatic, and outside of a person's control and compared this to the needs of the venturing
4 process. Interviewees frequently positioned themselves in relation to formal roles as a form of
5 authority in hierarchical relationships but this was not to justify their behavior. Rather, they
6 presented their roles as a way to escape hierarchical structures, bureaucracy, and authority. While
7 this corporate role authority was suggested to provide opportunities to progress their projects and
8 personal intended outcomes, they also gave the people operating in these roles a sense of fragility:
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19
20 *"It was a double-edged sword; people knew you but you also had your head way above the*
21 *parapet so people could shoot at you."*
22

23 Interviewees presented themselves as bound to corporate authority, particularly through the
24 financial and legal facilities of authority. They viewed it to be limiting their choices in venturing
25 projects until they could be released from the 'clutches of authority' via a formal spinout:
26
27
28
29

30
31 *"Currently our contracts are signed as the corporate firm...Once we've secured funding*
32 *individuals have the choice to move over to the CV unit as a separate company."*
33

34 Interviewees positioned activities in relation to the corporation and the associated restrictions that
35 this relationship caused. The way it was expressed formed a repertoire upon which interviewees
36 actively gave sense to their differences and the necessity of trying to maintain corporate acceptance
37 for these different ways of working:
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43
44 *"They need to understand what it is the company wants; what the company needs to be*
45 *successful to dress them up in these clothes."*
46

47 This repertoire involved an emphasis on the corporate 'body politic' as restrictive yet necessary. It
48 is both to be battled against and inevitable and to be covertly worked within. In outlining these
49 distinctions and boundaries, a discourse of escape from the corporate body politic became a
50 dominant repertoire.
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1 A second interpretive repertoire emerged from the discourse analysis to frame the
2
3 possibility of an alternative future with a focus on the demands of external markets. This can be
4
5 categorized as the *'pursuing enterprise-market futures'* repertoire. Du Gay (1996) notes how
6
7 enterprise discourse may be utilized as a political discursive device in organizational contexts, and
8
9 Souitaris et al. (2012) note how CVU managers attempt to emulate venture capitalist norms in
10
11 structuring CV units. Interviewees in this research framed enterprise and external markets as the
12
13 alternative basis to the corporate body politic on which to justify their responses. This justification
14
15 was framed around the potential for new external market relationships, such as seeking external
16
17 investment and gaining market acceptance by engaging new stakeholders. The repertoire ran in
18
19 parallel with, but was counter to, escaping the corporate body politic repertoire. Explanations of
20
21 their experiences were used to provide an alternative justification for ICV project's existence to
22
23 corporate colleagues:
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29 *"The goodwill we got from customers and newspapers also meant there was little*
30 *resistance."*
31

32 Such references were applied as justifications for decisions and used as the basis on which
33
34 interviewees legitimated their decisions and relationships as being 'entrepreneurial'. Whilst they
35
36 also utilized this framing to distance themselves from the corporate body politic. Despite their
37
38 formal roles as corporate employees or corporate contracted consultants, participants often referred
39
40 to venture managers as CEOs and ICV projects as start-ups. Even though these were not their
41
42 contractual job titles and ventures did not have a legal status as startups. This terminology seemed
43
44 to be presented to gain recognition as a future independent venture and can be considered a
45
46 'sensegiving device' (Maitlis and Christianson, 2014). This observation is like Whittle and
47
48 Mueller's (2008) regarding how the use of the term 'intrapreneurship' was applied by managers as
49
50 a rhetorical device to justify 'illegitimate' corporate projects.
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1 One venture manager drew from the enterprise market futures repertoire when explaining
2
3 how he presented the ICV project to colleagues to position the team as future market leaders:
4

5
6 *"I say to them that the corporate R&D centre city is an insignificant part of the world: you*
7 *have an opportunity to put this city on the map just like Skype put Estonia on the map."*
8

9 The enterprise-market futures repertoire further provided a frame for making sense of the market
10 potential of the technology and included the use of venture capitalist metrics to illustrate the value
11 of projects. While applied to justify activity and decisions it was not always treated as positive.
12
13 For example, at least one CVU manager talked about his distaste for being compared with
14 a venture capitalist. This repertoire did provide an alternative way of conceptualizing ICV projects
15 and was used to help elevate the relative value of the actors involved. Managers thus justified their
16 actions in ways that implied innovation, untapped opportunity, superior specialized knowledge,
17 and support for ventures from external relationships. They also employed it to justify actions that
18 were subversive, or that ran in direct conflict with broader organizational goals and agendas. By
19 developing this repertoire participants claimed an alternative explanation for actions so that this
20 became a positive counter-repertoire to the potentially negative overtones of escaping the
21 corporate body politic. It provided them with the linguistic resources through which they made
22 sense of their decisions and their interactions, and it helped them project themselves as
23 enterprising, progressive, justified, and relevant.
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41 A third interpretive repertoire was identified in the data analysis. Here interviewees drew
42 on their scientific and technical relationship-contexts and framed their explanations of ICV as
43 examples of valuable work '*realigning scientific discovery traditions*'. All the ICV projects
44 researched had been developed through scientific projects in corporate Research and Development
45 (R&D) centers and the importance of scientific involvement in ICV projects was regularly noted.
46
47 Many participants referred to their prior experiences in R&D roles as a sign of competence and
48 highlighted their active involvement in developing technology collaboratively with scientists.
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1 Interviewees also referred to scientific personal prestige by mentioning receipt of research
2 doctorates or highlighting their visiting roles at universities. In this repertoire, technical ability and
3 the traditions of scientific curiosity were presented as important to ICV projects. This repertoire
4 was, however, presented as marginal to the '*pursuing enterprise-market futures*' repertoire. Either
5 because it was a consequence of individual personal aspirations or because it was a lower priority
6 when compared to venturing.
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14
15 *"As much as I love being a researcher, the scope of what I can do now is far more*
16 *exciting."*
17

18 In most cases, the scientific aspects were presented purely in IP terms to be exploited, even though
19 some projects included significant technological advancements. Despite this apparent
20 marginalization of scientific advancement, the repertoire did outline the high value of researchers
21 within ICV activity and the relevance of their discovery process:
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29 *"What we do in the CV unit won't have an immediate impact. We're working on two to*
30 *three years out, that's where the run occurs...Researchers' time horizons are much more*
31 *aligned."*
32

33 Three overarching repertoires in the data were identified. Those in ICV roles present
34 themselves as 'outsiders' aiming to escape the confines, politics, and bureaucracy of the corporate
35 body politic while simultaneously feeling restrained and bound by it. Some of these managers
36 present the company as an 'iron cage' in which venturing offers a means of escape, either
37 metaphorically, or in reality, via a corporate spinout. Managers also used an enterprise-focused
38 repertoire where they drew on entrepreneurial and venture capital activity as a metaphor to explain,
39 organize, and justify their venturing activities as desirable and forward-thinking. In this sense,
40 while the escaping the corporate-body politic is the dominant repertoire through which challenges
41 in ICV can be explained, the enterprise-market futures counter-repertoire provides a way to explain
42 the solution. The realigning scientific discovery traditions is the other repertoire through which the
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1 special qualities of ICV experience and strategies can be explained. Next, all these findings are
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3 drawn together to explain how they address the research question posed and how they contribute
4
5 to ICV research.
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10 **5. DISCUSSION**

11
12 The literature on ICV demonstrates that the effects of complex relationships and socio-
13
14 political challenges faced by managers have been under-researched. This research contributes to
15
16 the relational view of ICV by providing a crucial micro-level analysis that focuses on the
17
18 experiences of CV practitioners. ICV managers' complex social relationships lead them to engage
19
20 in sensemaking, the building of legitimacy through interpretation (Maitlis and Christianson, 2014),
21
22 sensebreaking of perceived norms and sensegiving, the building of legitimacy through the
23
24 discursive practice drawing on social contextualisation, each forming an interpretive repertoire.
25
26 By conducting a micro-level analysis of managers' discursive practice, how they interpret their
27
28 relationships to both make sense of corporate venturing and develop interpretive repertoires to give
29
30 sense to their practice and strategies in the venturing process is then revealed.
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36 The research set out to answer the research question, "How do managers construct meaning
37
38 about their practice while positioning their strategies for internal corporate venturing?" through a
39
40 micro-level analysis of participant discursive practice. Participants demonstrated their experience
41
42 convincing others through their positioning of efforts and understanding of how to politically
43
44 frame their 'functional talk.' Interviewees actively promote the uniqueness of CV activity through
45
46 rhetorical pitching, actively drawing the interview into their own ICV discursive practice by
47
48 managing the researcher's impressions of their firm, the venturing activity, and their role within
49
50 it. In addition to these expected findings, interviews provided opportunities for participants to
51
52 reflect on their experiences, and here, the veil dropped. Participants rhetorically hedged their
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1 pitching by emphasizing the personal challenges created by ICV activity. Interviewees
2
3 demonstrated their concerns over their own competencies and concerns over the long-term
4
5 viability of venturing at their firms. This is at odds with the literature that emphasises the
6
7 unemotional, rational strategic choices of ICV managers. Instead, this initial analysis opened up
8
9 the opportunity to delve deeper into manager narratives through two further stages of analysis of
10
11 their discursive practice.
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15 The second stage of analysis went deeper into the interpretive sensemaking of ICV
16
17 managers. Managers reported significant challenges in navigating expectations (Burgelman, 1985)
18
19 and building legitimacy for CV (Venkatamaran *et al.*, 1992). They highlight the mismatch
20
21 between the short-term expectations of senior managers and the actual time it takes to be successful
22
23 with venturing (Miles and Covin, 2002), and this mismatch leads to a sense of isolation. They
24
25 describe their role as nurturing venturing teams and argue that the unpredictability of venturing
26
27 creates relationship challenges. This injection of venture uncertainty creates both a sense of
28
29 liberation and a sense of anxiety. This finding shows how the need for trust and commitment to
30
31 be built between CVU and venture managers (Raisch and Birkinshaw, 2008) comes about in
32
33 reaction to the perceived challenges of wider stakeholder relationships. This work consequently
34
35 shows how the perception of a disconnect between the 'lifeworld' of corporate venturing and the
36
37 traditional practice of management within firms comes about. It also shows the divergent
38
39 strategies pursued by managers digging in to commit to their projects in response to this dilemma.
40
41 For CVU managers, this included nurturing teams while mitigating personal exposure by CVU
42
43 managers. For ICV managers, this meant liberated pioneering while managing uncertainty. These
44
45 divergent strategies for a common objective meant increasing commitment to ventures and
46
47 generated an emphasis on shoring up shared trust amongst core ICV actors. Taken together, the
48
49 interviewees present corporate venturing as a *'fragile outsider existence, maintained through a*
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1 *determination to achieve a common insider objective'*. While prior research has noted how CV
2
3 units form a collective identity distinct from the organization (Zhang and Biniari, 2021) this level
4
5 of analysis contributes by showing how a sense of a common 'insider' objective is developed
6
7 through trust and commitment among core ICV actors. Commonality in focus occurs as a reaction
8
9 to the uncertainty and tensions arising from interactions with wider 'outsider' stakeholders. This
10
11 finding illustrates that distinct ICV identities are not given but form from the sensemaking of
12
13 managers in response to the complexity of the wider social contexts within which the practice of
14
15 ICV takes place.
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20 The third level of analysis examined how three interpretive repertoires were formed by
21
22 participants through discourse to give sense to the practice of internal corporate venturing in their
23
24 firms. Taken together the research demonstrates how CVU managers gave sense to their practice
25
26 and strategies. Prior research has illustrated the social-political context in which CV takes place
27
28 and noted from a macro-level perspective that CV units may be positioned strategically either in
29
30 relation to corporate norms or venture market ones (Souitaris and Zerbinati, 2014). This work
31
32 contributes by showing how these strategies are generated through sensegiving at a micro-level
33
34 through sensegiving and add to this an 'othered' scientific repertoire through which alternative
35
36 ways to frame ICV are downplayed. The study also identifies that participants do not choose one
37
38 instead of another through rational choice but instead develop an interrelated set of competing
39
40 repertoires that are drawn upon to construct a justification for practice and generate the basis of
41
42 strategies. Figure IV illustrates how these repertoires were co-dependent and facilitated managers'
43
44 discursive framing of the tensions which they experienced. While previous studies indicate
45
46 managers using sensebreaking and sensegiving to move from one set of norms to a new
47
48 interpretation (Schildt et al 2020), this study identifies three different interpretive repertoires in
49
50 use by ICV managers which together framed positive sensegiving (+), negative sensebreaking (-)
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1 and neutral sensemaking (+/-) of participants interpretation of ICV relationships. Together as a
2 framework, they indicate how the three repertoires led to largely positive framing of shared values
3 between core ICV actors, including enthusiasm, vision, commitment and belief, patience, and
4 discovery, but that these were dependent on enlisting and nurturing the right relationships. The
5 repertoires underpinned a more conflicted framing of ICV legitimacy and norms, corporate and
6 venture resources, power, and facility.
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15 The '*pursuing enterprise market-futures*' counter repertoire gave sense to the legitimacy of
16 breaking free of restriction, creating impact, and providing authority to subvert the existing
17 corporate systems to pursue new venture opportunities. The '*escaping the corporate body-politic*
18 repertoire' gave sense to acquiring resources and represented it as a way to challenge the status
19 quo and adapt to new market conditions.
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27 Sensebreaking frames included a lack of access to resources and a need to negotiate
28 commitment and support from the organization from the '*pursuing enterprise market-futures*'
29 counter repertoire. The '*escaping the corporate body-politic repertoire*' provided a sensebreaking
30 frame of justifying a need for distance from venture failure, apprehension about the illegitimacy
31 of ICV activity, and a sense of exposure and isolation in the ICV process.
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39 In contrast, the '*realigning scientific traditions repertoire*' involved a more neutral framing
40 of scientific research contexts as having potential but lacking relevance, being slow, and
41 encouraging inertia in the ICV process. Together, the use of three interpretive repertoires in
42 participants' accounts suggests a liminal position for these individuals who are in-between possible
43 accounts, engaging in a sensegiving reconfiguration of their experience and future strategies
44 through their discursive practice as they actively reflect on the uncertainty they face (hedging
45 rhetoric) yet attempt to provide certainty to their accounts (pitching rhetoric).
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Each of the interpretive repertoires was formed by participants through discursive practice to sensebreak from perceived norms and sensegive to managerial strategies in different explanatory terms. Figure IV illustrates how interpretive repertoires framed participants' sensemaking reconfiguration of their experiences and future strategies. Figure IV directional symbols indicate how the repertoires were drawn in relation to the different components of this overarching sensemaking reconfiguration framework. It provides a framework to show how practitioners' sensemaking of ICV relationships was generated through the three sensegiving interpretive repertoires. Here, the uncertainty of ICV leads to an outsider positioning, addressed through insider objectives, framed by escaping the corporate body politic, the potential of the alternative of enterprise market futures, and othering of scientific discovery tradition. Thus, a sensemaking process that is inherently interpretive and political is evident. Whittle and Mueller (2008) have previously observed managers using enterprise and intrapreneurship as a narrative tool to justify deviant corporate behaviour. This research shows that this is not just an oratory technique, but part of an active process of sensegiving reconfiguration, as a micro-level discursive practice, to frame reflection on experience and produce practical strategising for ICV activity. Souitaris *et al.* (2012) argue that at a macro-level, CV units adopt internal or external strategic postures, which can occur simultaneously. This study shows how micro-level interpretive repertoires concurrently form a sensegiving reconfiguration that justifies practices and generates practitioner strategising. By actively reframing their interpretive sensemaking through pursuing enterprise futures and escaping the body politic interpretive repertoires, these managers are actively repositioning their practice and redefining what goals they should pursue away from organizational interpretations, emphasizing their uniqueness as ICV practitioners and moving towards more enterprising practices and strategies.

[Insert Figure V]

1 The third repertoire shows that escaping the body politic and counter enterprise-market
2
3 futures repertoires are not the only ones available and that the use of discursive repertoires frames
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5 relationships, power, and resources. To a certain extent, through their discursive positioning,
6
7 managers were tacitly shutting down the possibility of an alternative narrative of their work as
8
9 belonging to technical discovery and scientific collaboration. The analysis suggests that the use of
10
11 enterprise interpretive repertoires as a counter to the dominant corporate repertoire sidelined
12
13 alternative ways of positioning their work through a scientific mindset in order to emphasise the
14
15 uniqueness of ICV practices as a legitimate undertaking. The realigning scientific tradition
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17 repertoire emerged beside the dominant and counter-discourses. The analysis in this study shows
18
19 how the process of ICV sensegiving reconfiguration effectively writes out alternatives as ‘othered’
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21 and binds practitioners to the enterprising repertoires in explaining their practice and engaging
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23 strategizing.
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29 **5.1 Theoretical implications**

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32 By considering three forms of analyses together the paper contributes to the extant theory.
33
34 This is achieved by showing how ICV managers make sense of their experience in CV work
35
36 (sensemaking). They do this while simultaneously resolving the sensemaking problem by
37
38 constructing meaning for others (sensegiving) and positioning their work against alternatives
39
40 (sensebreaking) through dominant, counter, and othered repertoires, informing their strategies.
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42 Together these interpretive repertoires are used through discursive practice to explain how
43
44 participants construct their need for greater commitment between core ICV actors and shape the
45
46 insider-outsider explanation of CV relationships. In so doing they develop a sensemaking
47
48 reconfiguration by combining three interpretive repertoires. This work illustrates that rather than
49
50 rational strategic choice, practitioners' ICV discursive practice is tempered by the complex social
51
52 contexts they face. Experiences are perceived by them as complex and uncertain. Participants
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1 develop and draw on the repertoires to make sense of this complexity. By doing so, they alleviate
2
3 uncertainty through discursive practice, producing three interpretive repertoires that act as forms
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5 of sensebreaking and sensegiving to form their strategies. Together the repertoires are mutually
6
7 generative, through an ICV sensemaking reconfiguration framing of their practice and strategies
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9 for the future.
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13 For research, this micro-level analysis opens new opportunities for the relational
14
15 perspective in ICV. Our analysis showed how managers do not only draw on the corporate context,
16
17 but are equally influenced by entrepreneurial and scientific communities. The influence of these
18
19 stakeholder groups is under-researched in ICV and greater attention may contribute to macro-level
20
21 analysis of ICV strategies. While this study has identified micro-level interpretation and
22
23 strategising, it only provides a snapshot of discursive practice through interviews. Meso-level
24
25 studies of practice in ICV could consider how this process develops over time and the influence
26
27 this has on the formation of ICV units and ICV projects. Here, wider datasets, including interviews,
28
29 observations, and archival data through longitudinal case studies, could open the black box of ICV
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31 practice to understand how social contexts influence the success or failure of internal corporate
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33 venturing activity.
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39 **5.2 *Practical implications***

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42 For practitioners, our micro-level analysis shows how social context influences how
43
44 managers construct meaning while positioning their strategies. Managers' engagement in
45
46 stakeholder networks informs how they make sense of their ICV practice but can also increase
47
48 uncertainty and complexity, evidenced through competing repertoires, the scripts through which
49
50 experience is framed, and strategies are formed. The use of individuals who can translate between
51
52 ICV units and different stakeholder groups, such as through brokering, may assist in navigating
53
54 this uncertainty. Developing a strategy in complex social contexts involves reconfiguring the
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1 sensemaking of ICV, and with this comes greater certainty of purpose but higher risks of blind
2 spots and biases. To assist with these, it may be important to find ways to keep engaged with those
3 stakeholder groups to avoid accidental marginalising – such as creating stakeholder-specific
4 advisory groups or panels to support continued engagement and avoid blind spots.
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10 CEOs and senior executives can also foster intrapreneurship through selection, training,
11 and socialization practices (see Sharma and Good, 2013). For instance, in recruiting intrapreneurs,
12 whether internally or externally sourced. Selecting ICV managers for their capacity to hold
13 multiple competing roles, and their ability to differentiate emotions. From a training and
14 development perspective, it may be necessary to provide budgetary resources that help build
15 intrapreneurial capacity to manage ongoing trade-offs, competing logics, and behavioural
16 strategies for handling contradictory scenarios. In terms of socialization, senior leadership can be
17 instrumental in establishing the right organizational climate and performance management systems
18 that reward and allow experimentation, cross-departmental collaboration, and nurturing new
19 venture ideation.
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34 **6. CONCLUSIONS**

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37 Uncertainty abounds in organizations, and developing and executing internal corporate
38 venture projects is difficult. Our work helps both practitioners and researchers better understand
39 some of the foundational elements of the internal venturing process by providing a micro-level
40 analysis of managers' discursive practice. We identified that in interviews, managers use pitching
41 rhetoric to emphasise the importance of their work but simultaneously use hedging rhetoric to
42 explain the uncertainty and complexity of the social context of their practice. We showed how, at
43 an interpretive level, managers make sense of their experience by emphasising their ICV insider
44 objectives as a strategic response to fragile outsider relationships. Finally, we illustrated how
45 managers generated three interpretive repertoires that drew on their social contexts to sensebreak
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1 from alternative explanations of their experience and simultaneously give sense to their
2
3 enterprising strategies.
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10 ¹ Example conferences: Global Corporate Venturing and Innovation Summit, Midwest Corporate Venturing
11 Program, UK Corporate Venturing Conference.

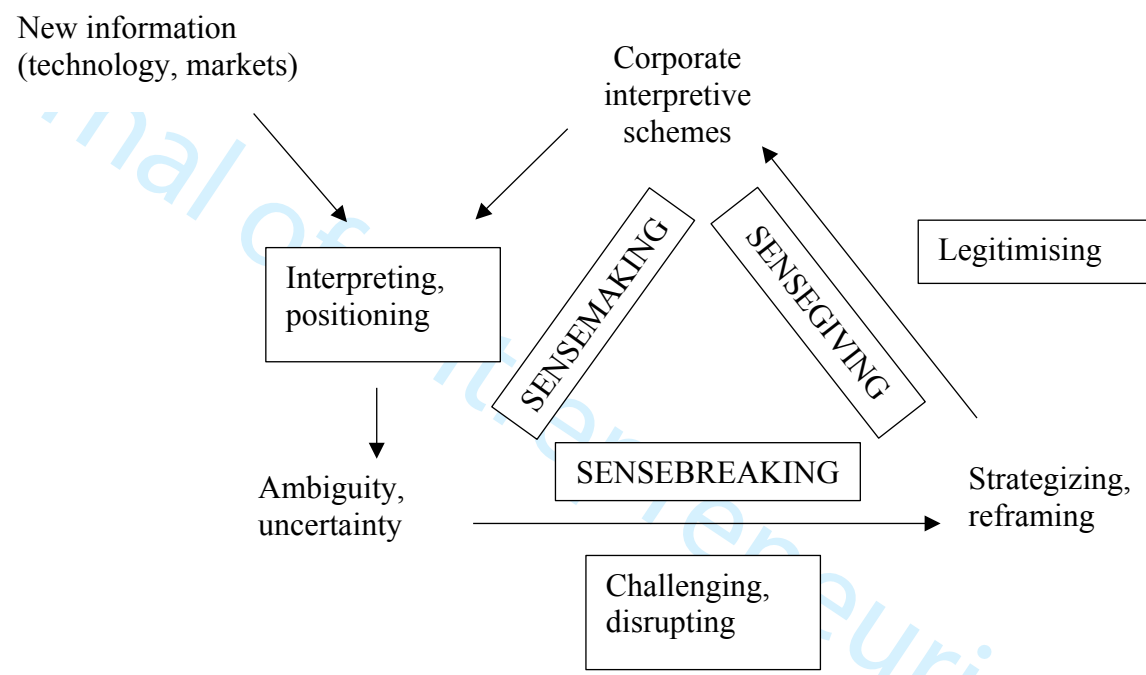


Figure I. Conceptual framework

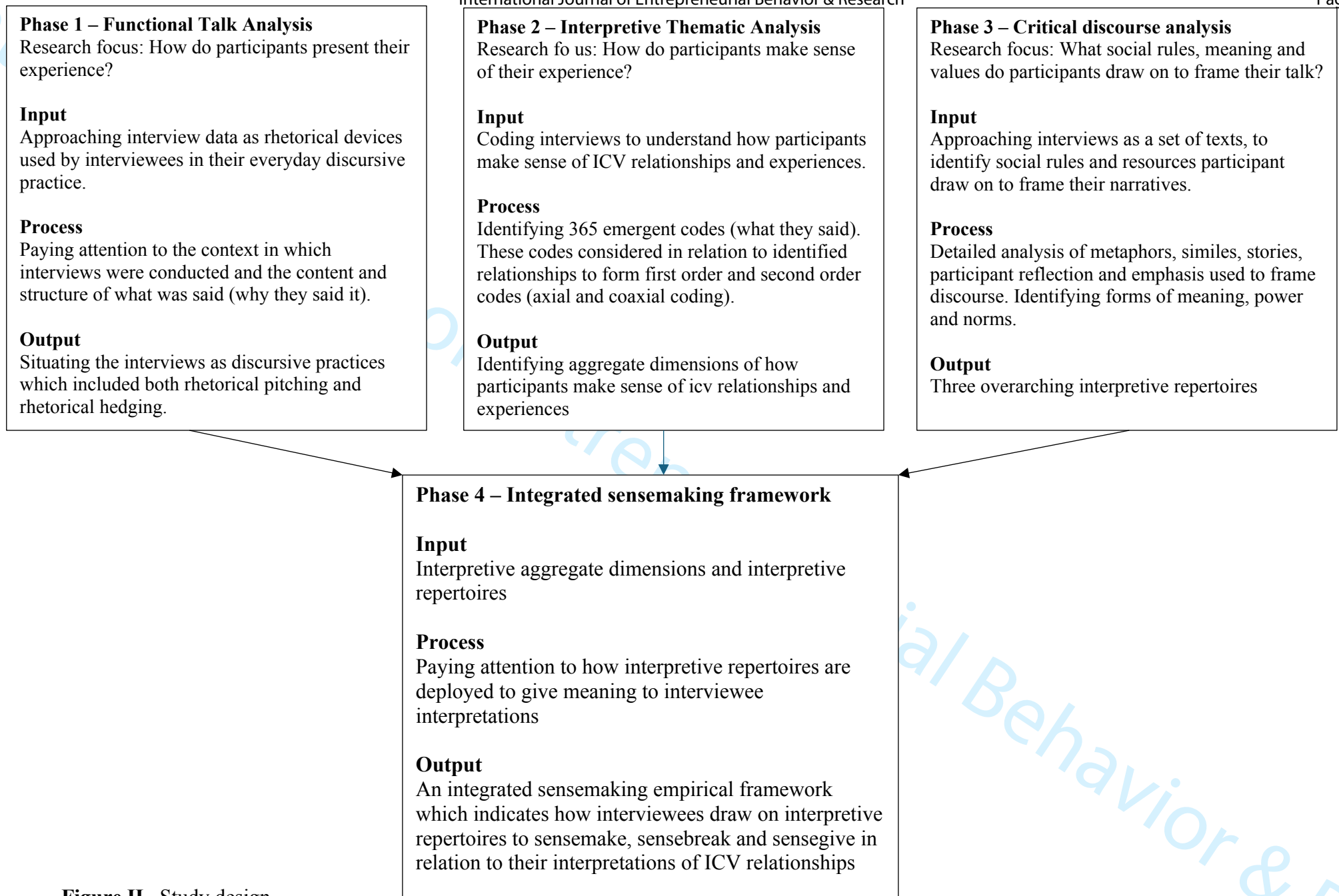


Figure II. Study design

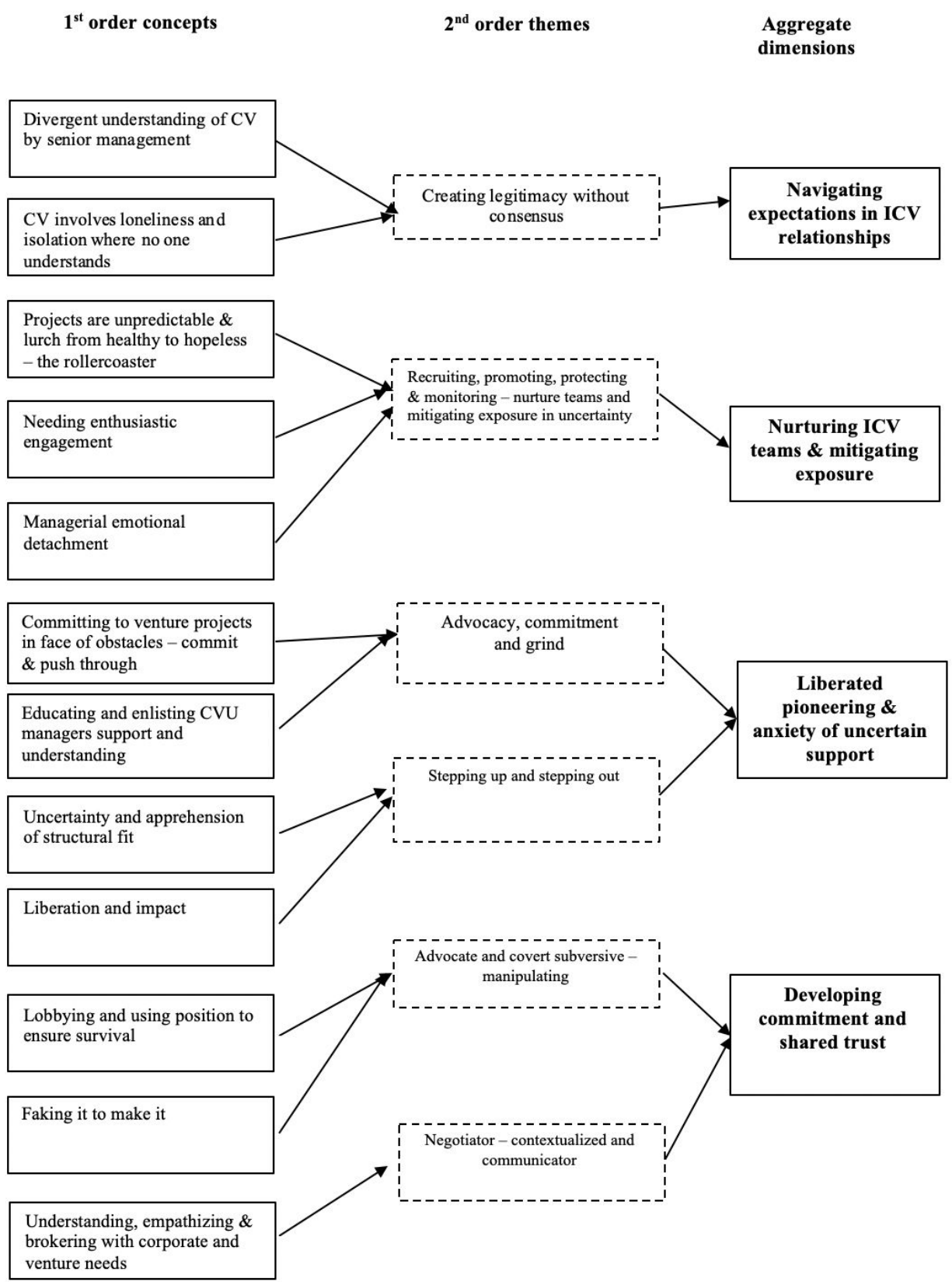


Figure III. Emergent themes from data analysis

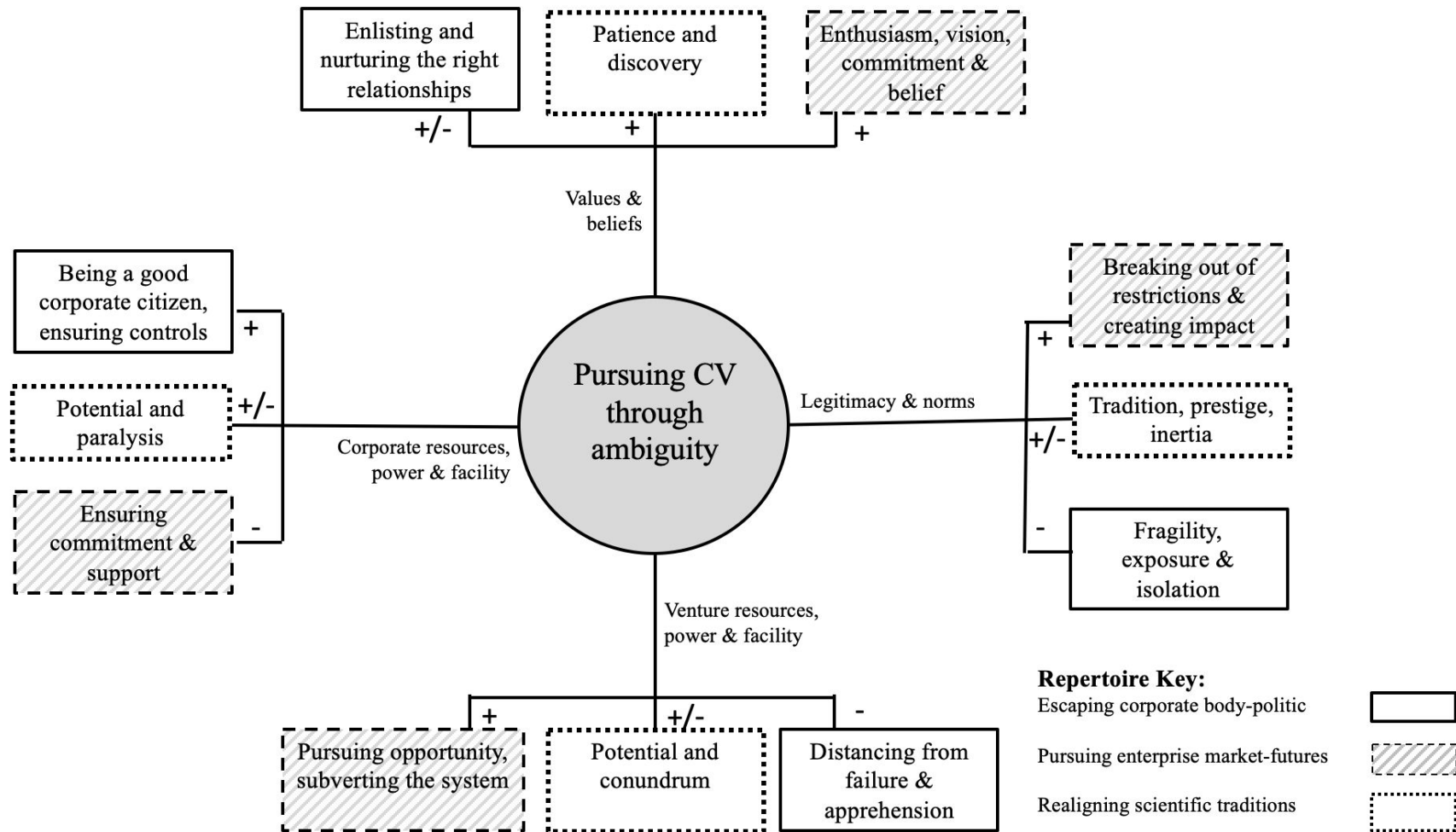


Figure IV. Empirical framework

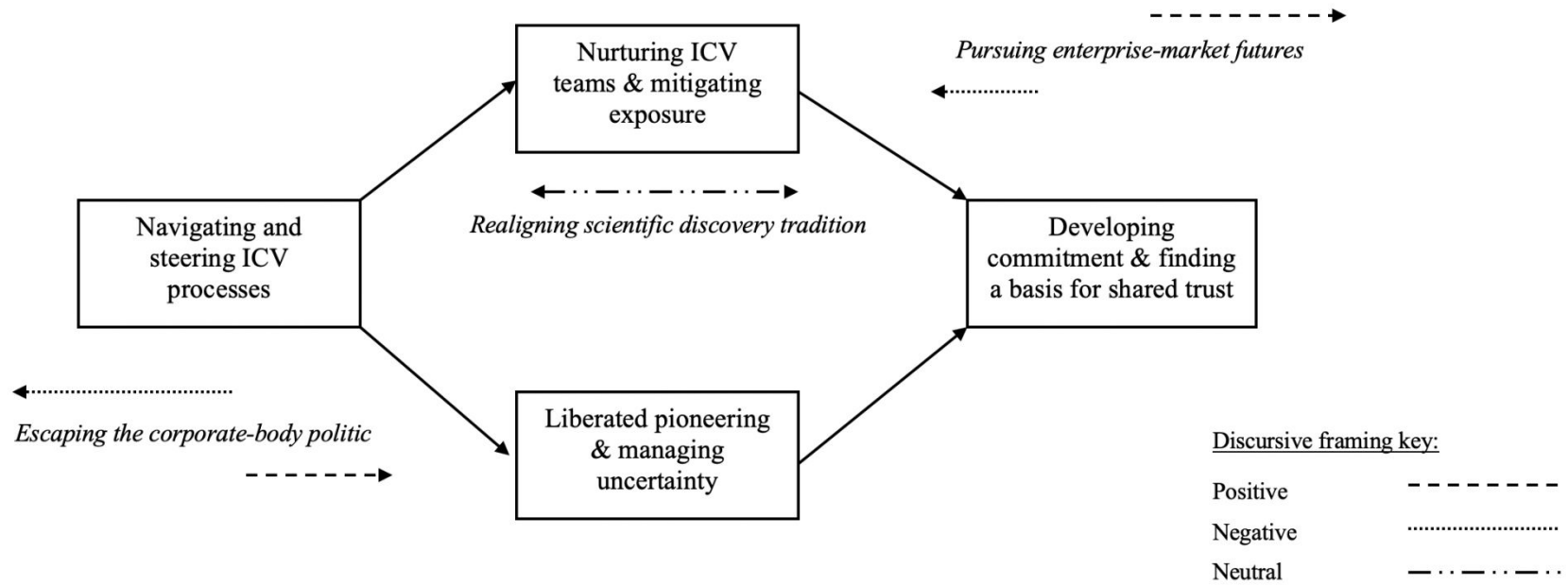


Figure V. Sensemaking reconfiguration in internal corporate venturing

Table I. Participant interview sample

Corporation	Industry	CVU Managers (Location)	Venture Managers (Location) <i>ICV Primary Product/Service</i>
Multinational A	Consumer goods	1 (UK)	
Multinational B	Consumer goods	2 (UK)	
Multinational C	Electronics	1 (US)	
Multinational D	Electronics	1 (Europe)	
Multinational E	Electronics	1 (Far East)	
Multinational F	Electronics	1 (Europe)	
Multinational G	IT	2 (UK) 1 (US)	3 (UK) <i>ICV ii - ICT Communications</i>
Multinational H	IT	1 (UK)	
Multinational I	Media and information	2 (UK)	1 (UK) <i>ICV i - Specialist Market Analysis</i>
Multinational J	Telecommunications	1 (UK) 1 (US)	
Multinational K	Telecommunications	1 (Europe)	
Multinational L	Telecommunications	4 (UK)	3 (UK) <i>ICV v - Multimedia Advertising</i>
Multinational M	Chemical engineering	3 (UK) 1 (Europe)	2 (UK) <i>ICV iii - Hi-tech manufacturing</i> <i>ICV iv - Hi-tech recycling</i>
Multinational N	Engineering	1 (Europe)	
Multinational O	Engineering	1 (UK)	
Multinational P	Engineering	1 (UK)	1 (UK) <i>ICV vi - Simulation Training</i>
Large UK Corporate A	Engineering	1 (UK)	1 (UK) <i>ICV vii - Geophysical Mapping</i>
Large UK Corporate B	Utilities	1 (UK)	
Large UK Corporate C	Banking		1 (UK) <i>ICV viii - Consumer Lending</i>
Large UK Corporate D	Retail		1 (UK) <i>ICV - ix Consumer Telecoms</i>

Table II. Interview Questions

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7	Experiences - of venturing, corporation and external relationships
8	1) <i>Why did you get involved?</i> This question was asked to seek contextual information about the participants' prior experiences and expectations of corporate venturing. Many
9	participants answered this by explaining their own personal motivations and explaining the
10	history of corporate venturing at their corporation or the history of the development of their
11	venture.
12	
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14	2) <i>Do you prefer this work to any other work in the organisation?</i> This question was asked
15	to encourage participants to compare their current role with prior experiences. Participants
16	tended to explain their current roles in the context of previous roles both within the
17	corporate firm and in external organisations, emphasising similarities and differences.
18	
19	3) <i>What are the benefits of your role?</i> This question was asked to determine both the
20	current personal expectations of participants from their work and to understand their
21	current experience. Participants tended to explain financial rewards and personal
22	reflections of their experience.
23	Perceptions - of support, rewards and relationships
24	4) <i>How does this work make you feel?</i> This question followed on from the <i>benefits</i> question
25	to further probe participants' personal feelings about their role and work expectations.
26	Participants tended to explain the personal demands of their role and how this affected
27	them emotionally.
28	
29	5) <i>Do others value the work you do?</i> This question was asked to explore how participants
30	felt others perceived their role and work. Participants explained their thoughts about the
31	perceptions of others, particularly in relation to corporate staff and venture managers.
32	Championing – of ventures to the market and ventures to the corporation
33	6) <i>Who acts as the champion of new icv's?</i> This question was asked to explore whether
34	championing activity occurred in the context of participants' experience. The term
35	champion was deliberately not explained as its relevance to participants' experience was
36	being explored, rather than presumed. No participant questioned the use of the term.
37	Participants explained how championing activity occurred in the context of their work by
38	themselves or others. Some participants, while not questioning the term, rejected it and
39	provided alternative role terms to explain related activity.
40	
41	
42	7) <i>What qualities does a champion need?</i> This question was asked to explore what
43	activities related to championing and the roles individuals would need to fulfil to undertake
44	this. Participants provided a range of explanations for the types of person or behaviour that
45	may be required.
46	
47	8) <i>Do you have these qualities?</i> This question was asked to explore whether participants
48	felt they undertook championing activity themselves. Participants either explained how
49	they undertook championing activity themselves, or explained how their roles related to
50	championing activity undertaken by others.
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Table III. Three stages of the sensemaking methodology

Stages	Functional talk (<i>why they said it</i>)	Interpretive themes (<i>what they said</i>)	Interpretive repertoires (<i>how they said it</i>)
Research focus	How do participants present their experience?	How do participants make sense of their experience?	What social rules, meaning and values do participants draw on to frame their talk?
Data collection	42 expert interview transcriptions	42 expert interview transcriptions	42 expert interview transcriptions
Data analysis	Focus on rhetorical devices.	Interpretive thematic analysis, axial and co-axial coding, developing theoretical saturation.	Metaphors, stories, participant reflection and emphasis, similes.

Note: Developed from Jorgensen et al. (2012)

Table IV. Corporate venturing internal and external relationships

Identified internal corporate venturing relationships				
<i>Top Corporate Management</i>	<i>Corporate Division Management</i>	<i>Functional Corporate Staff Middle Management</i>		
CEO	Managing Director	Commercial Developer	Sales	Research Scientist
CFO	Chairman	Engineer	Operational	Technical
COO	Divisional venture board	Finance	Marketing	Technologist
Board-level	Scientific advisory board	Legal	Operations	
		Strategy	Product R&D	
<i>CV Unit</i>	<i>Venture Managers</i>	<i>Venture Staff</i>		
Managing Director	CEO, CFO, CMO, Chief	Account Manager	Developer	Legal
Partner	Technologist, Project Manager, Managing Director	Marketing	Engineer	Finance
		Sales		
Identified external corporate venturing relationships				
<i>Venture product</i>	<i>Venture finance</i>	<i>Corporate governance</i>		
Customers, Clients	Venture Capitalists	Shareholders		
Suppliers, media/press	Business Angels			
<i>National governance</i>	<i>Scientific development/reputation</i>	<i>Legal</i>		
Governments	Universities, Professor, Academic, Student	Lawyers		
<i>Venture management</i>	<i>Family</i>			
Interim managers, entrepreneurs, consultants	Husband, wife, kids/children			

Table V. Interpretive code sample quotations

Text in bold indicates emphasised coding relevance.

<p>Divergent understanding of CV by senior management</p> <p>VM: 'One of the biggest internal issues that I have had to convince people of is that when the corporate firm got involved in this they felt there would be jam today. But as they didn't understand regulation I had to say to them that is not how a regulated environment way, but you need to decide; do you want to continue with this the way I want to do it, or get out now? They said 'No we want to develop this' which they do as interest is materialising. You have got to fight through these things and just keep it moving forward.'</p> <p>VM: 'The main board director and the chief executive were champions, but there were different views on it in terms of the attention it was getting and the resources it was consuming. It was like betting on two horses, no one was sure if the online world would return.'</p> <p>CVM: 'Funnily enough our current corporate CEO is keen on this stuff, and sometimes he takes a personal interest in some which can be awkward, sometimes good, sometimes not so good.'</p> <p>VM: 'One of the biggest internal issues that I have had to convince people of is that when the corporate firm got involved in this they felt there would be jam today. But as they didn't understand regulation I had to say to them that is not how a regulated environment way, but you need to decide; do you want to continue with this the way I want to do it, or get out now? They said 'No we want to develop this' which they do as interest is materialising. You have got to fight through these things and just keep it moving forward.'</p> <p>CVM: 'There are a lot of people with a lot of energy with chances to go out of the company and to guru's like <i>names a business guru</i> but sometimes when I have to explain <i>open innovation</i> to high-brass people to the board, not to the level above me, but a level higher, I have the idea that I have to use very simplistic twelve-year-old language to make sure he understands me. I don't like that I have to do that.'</p> <p>CV involves loneliness and isolation where no one understands</p> <p>Personal isolation</p> <p>CVM: At times it can be incredibly lonely because there is no one in the company who understands what I do, except for the people who work for me...It's interesting talking to colleagues who do this in other companies; they find it lonely and one of the reasons for the <i>external corporate venturing network</i> is to have other colleagues you could talk to. It does feel very lonely and independent.'</p> <p>CVM: Lows are about solitude and the way that a project can lurch from looking really healthy to complete waste of time overnight.</p> <p>Drive and commitment to CV objectives, in spite of obstacles and personal risks</p> <p>CVM: 'You have to be incredibly evangelical and passionate about what you believe. Sometimes the combination of those can clash with corporate culture. Apart from positives of these, you have everyone applauding at the end, but many doubters on way. Success has many fathers, failure is a bastard. You sometimes feel a heretic when taking the organisation down a particular path; taking us away from core capability and core competency.'</p> <p>CVM It's frustrating that they take so long as you're building from scratch. When you're starting a group as a corporate, financiers get sceptical, entrepreneurs who we are getting to join are sceptical. If we were a small VC with technology assets, people wouldn't second-guess what we're doing. People tend to say 'Why are you really doing this? What are you up to?' It takes longer to educate people.'</p> <p>VM: 'I have to be my own champion in this I really do.'</p> <p>Projects are unpredictable and lurch from healthy to hopeless – the rollercoaster</p> <p>CVM 'Feelings; good and bad. It's a great opportunity as such a diverse sort of job. But it is quite an emotional job, more so than any other I've done; rollercoaster things. But if you work in a start up company it's either going to go bust, go stellar or somewhere in-between. But which of those things can happen can turn on very small unforeseen circumstances. If you are the chief executive of that company it must be such an emotional ride. One day everything is going fine. The next your key customer goes bankrupt.'</p> <p>CVM 'It's very up and down; really extreme. There are moments of compete euphoria as you get the 2000th customer on the service or have a venture board that goes really well, especially from a career perspective. Lows are about solitude and way that a project can lurch from looking really healthy from a complete waste of time overnight. Something changes and you realise all your key assumptions in the business plan are just nonsense.'</p> <p>VM: 'When you have good days it's a great high, it's as good as anything you can imagine; not all of it is a good day, a lot of it is sloggng and convincing people about new technology and new benefits. I enjoy trying to convince people; enthusiasm and passion and commitment have to come across in that role. I enjoyed leading people and the team is looked after doing something which is different.'</p> <p>VM: 'Highs are when it works and it's successful and the premises and so on that we've put show that they're correct, the lows are when it's the slog of producing <i>the technology</i> and it gets changed at the last minute and you're making lots of revisions of stuff which have long repercussions in terms of what you have to then have to do, to publish it. And lows are the way that people don't get it.'</p> <p>Needing enthusiastic engagement</p> <p>CVM I get excited and a buzz from working from people. There's a glint in the eyes of people getting profits and a buzz of those involved with running business. It's interesting pulling off a deal as everyone wants to pull off risks, and finding answers is an intellectual challenge. Getting broad agreements and seeing how the game will play out strategically is motivating, and I'm working with smart people so it's a good social experience.'</p> <p>CVM: 'I go round researchers, and if I see someone who wants to stay in a darkened room, I don't get excited about them. When I see people who want to get out to conferences, I do like people like that, and also those who want to get to product gurus, that also excites me. We're lucky to have people like that here.'</p>

CVM 'If you put someone in who initially doesn't come across as enthusiastic but competent, you can get it stalling.'

CVM 'That's important because at the point where you're creating businesses, if that money is your driver you will be quite limited at where you make decisions at the creation stage. At the early forming and storming there needs to be something other than just 'I want to make money'. If people ask me what is the most important ingredient in a start-up I say 'passion and the people'. But we wouldn't even be looking at IPR and other bits if we didn't have the passion and people to succeed.'

CVM 'You always have to, in a business sense, be cynical and ask the right questions and that analysis needs to be done. You've got to be open to opportunities and get people fired up so people can see it's worth doing this. Then comes the phase of rational judgement when you know you have got more info. If you focus on rational judgement all the time you won't get the sparks to take it forward.'

Managerial emotional detachment

CVM: If you're talking to people about what you're doing, they say you have the best job, but sometimes there are tough selections you have to make in the front end of the funnel knowing you can't pull them all in, but you have to prioritise and that can be difficult.'

CVM: One's relationship with one's staff is much more one of negotiation than it is in a normal job; therefore I'm much more stand-offish from them.....Also you know that a large number of investments are going to fail and you don't want to get very close to their wives and children.'

Committing to venture projects in face of obstacles – commit and push through

VM Crashing fourteen minutes after launch and being pilloried in the press wasn't fun. **There were times in the business when I wondered if I would ever carry on, but you and the team create something that works.'**

VM 'I had to change the shape of things from time to time. If you can see there is need to change direction **you have to be brave enough to do it and justify that.'**

VM 'We have weekly frustrations we book them in and they roll up one after the other. I am getting better at dealing with them, both from a stress-management and resolution point of view. I am learning. **Tremendous fun most of the time, if it wasn't you wouldn't do it, and you can be frustrated to near breaking point at times.'**

VM: '...**raw things of big successes when you have customers and when you don't get on and funding doesn't come to plan, those are all emotions** and exist whether in a corporate incubator starting up your own or an established business.'

Educating and enlisting CVU managers support and understanding

VM: 'When I first met with *the CV manager* he was a thorn in my side. Since he has been associated with the business he now realises how complex this business is and that you have to keep your finger on the pulse every day of the week.'

VM 'Their job is to keep us motivated, if they don't give us the praise we require we won't be here either, we are managing their money and as CEO they want to know that I am doing a good job and making the money that they want to see. For us it's important that the venture board appreciates us, gives us guidance and appreciates what we do. We are very fortunate that we get on with the board members on a personal stand.'

Uncertainty and apprehension of structural fit

VM: 'In terms of what we do in the corporate business it hasn't changed anything. But reporting lines have changed. But in terms of where we sit and will continue to sit in the business that is an open question. We need to think about how we deal with this as it gives slight uncertainty.'

CVM: '**You have to be incredibly evangelical and passionate about what you believe.** Sometimes the combination of those can clash with corporate culture. Apart from positives of these, you have everyone applauding at the end, but many doubters on way. **Success has many fathers, failure is a bastard. You sometimes feel a heretic when taking the organisation down a particular path; taking us away from core capability and core competency.'**

CVM **It's frustrating that they take so long as you're building from scratch.** When you're starting a group as a corporate, financiers get sceptical, entrepreneurs who we are getting to join are sceptical. If we were a small VC with technology assets, people wouldn't second-guess what we're doing. **People tend to say 'Why are you really doing this? What are you up to?' It takes longer to educate people.'**

Liberation and impact

VM: It is liberating to be out of the big corporate world with all of its constraints, and there being so much immediacy to what we do. You make a decision and next thing you know it's being passed down, it's much more tangible than working for a corporate entity.'

CVM: '**It was a bit like being a bit of a pirate, slightly swashbuckling, everyone could see you were rocking the system.** We were not rocking from the start but there was something very attractive about what we were doing. Everyone loved it because of its subversions. They could be subversive for a day for those who ducked in and out.'

Lobbying and position to ensure survival

VM: 'There are frustrations; the way we have chosen to implement our business is that we are a small team and outsource a lot of our business needs, such as technical development back to *the corporate firm*. One of things we are struggling with is getting a relationship with them and delivery and performance to the standard and timescales and level of interaction that we expect.'

CVM: One of the teams in London was so desperate; they knew their idea was good but it needed a lot of money. So one of the ones running it went very early to where one person lived and walked with him all the way to work and by the end the Chief Executive was convinced. They got a huge amount of money; they did better than most others did, about four million dollars, but they needed that dedication.'

VM 'Yeah, I mean that's (...) that's probably one of the most succinct sentences of twenty-eight years in here and that's that it's knowing people that matters, and that erm, you know, if you don't know the right people to talk to you can't persuade them and they can't persuade other people. And so on'

CVM 'Pre-work was a lobbying exercise. As soon as you needed money you had to go to the venture board. You had to decide who from the new business would go to the venture board and do flanking work to make sure everyone had seen it before the venture board. You had to know what everyone would say before the board took place. It was expensive to ship people around the world, so often you only sent those who were likely to be voted through.

Faking it to make it

VM: 'The MD of a *corporate product division* just didn't get it when I told him, he didn't really understand it. He was more interested in the *new regional product launch*. He said he would find out about it. He said he was looking into it and would come up with something even better, so I fobbed him off.'

VM: *The CV manager* as a director was taking an interest and saying 'Yes, I will stump up the money', even though he hasn't got it, to find co-funders to go and fund this. Unless you have people to do that at some point then you won't go anywhere. It's also about having individuals who won't take no for an answer and going ahead anyway. Powers of persuasion is a good thing, as you have to exist without support or any money. Ultimate in blagging things I suppose.'

VM: 'If *the CV manager* and I hadn't been so bloody-minded there wouldn't be a venture. If you accept the first time someone says no, you don't go anywhere with this kind of thing. It's not natural for *the corporate firm* or a company like *the corporate firm*. It's not a natural thing for them to do, it's so far off the normal course of their business, it's very difficult to get people convinced and interested. It comes down to having individuals involved in the project who ignore the fact people have told them to cease work on the project. I was told three times to cease work on the project and I didn't, I just keep flying under the radar enough for them to change their minds, and they do. Then they come back to you and say "Would it be hard for you to restart things?" The answer is "No, 'cos we haven't really stopped".'

Understanding, empathizing and brokering with corporate and venture needs

Brokering between corporate and venture

VM 'You have to be able to respect corporate culture but also be able to move faster than corporates where you need to. Classically corporates will be nervous about signing contracts, whereas we want to move more quickly, and need to know how to work within the system in order to move the business along at an entrepreneurial pace rather than corporate pace which can be slower, **but I think it works well at the corporate firm as there is an interface at the corporate firm whose job is to act as boundary between us and the corporate and lot of admin things tend to happen at the corporate with orders, H&S health and safety etcetera and her role is to talk the same language as we talk as a start-up and she knows how the corporate organisation's systems work and can bridge between the two and that is valuable in her approach.**

Negotiating and lobbying within the wider corporate firm

VM: 'There are frustrations; the way we have chosen to implement our business is that we are a small team and outsource a lot of our business needs, such as technical development back to *the corporate firm*. One of things we are struggling with is getting a relationship with them and delivery and performance to the standard and timescales and level of interaction that we expect.'

VM 'Yeah, I mean that's (...) that's probably one of the most succinct sentences of twenty-eight years in here and that's that it's knowing people that matters, and that erm, you know, if you don't know the right people to talk to you can't persuade them and they can't persuade other people. And so on'

Negotiating for venture opportunities with venture managers

CVM 'We started first incubation with a walkout, saying 'We don't want to do this we want to go back to our day job'. I had to turn it around and make sure they understood where their responsibilities lay. I was trying to say 'This is a good opportunity guys, you can spin out and get knowledge transfer'. I would be interested to see who said it wouldn't.'

Brokering between corporate and venture

CVM 'The incuband will work inside *the CV unit* and they tend to have the same nature. 'We want to run really, really fast, you want us to use corporate processes'. But you can't run that fast as a big corporate, you end up knocking against each other. This is where my role comes in to say; 'We do things like this, let's see if we can change it.'

CVM: 'Ambassador; you need to believe in what you are talking about. I am not used to thinking about everything I do I just do it. I can go from mundane paperwork to do, to having someone saying "I need something done right away", to saying "The corporate firm doesn't do it this way", having them say "Well we will do it our own way." Then you have to go through channels in the corporate firm to get things changed. A very different skill set is required.'

Negotiating with corporate for ventures

CVM 'Pre-work was a lobbying exercise. As soon as you needed money you had to go to the venture board. You had to decide who from the new business would go to the venture board and do flanking work to make sure everyone had seen it before the venture board. You had to know what everyone would say before the board took place. It was expensive to ship people around the world, so often you only sent those who were likely to be voted through.

Table VI. Discourse analysis sample quotations

Text in bold indicates emphasised coding relevance.

	Authority/Facility	Norms/Legitimacy	Value/Significance
Corporate frames	<p>Emphasis on allocative and authoritative power across corporate relationships depending on the whole, not necessarily one individual</p> <p>'Someone needs a let out or somewhere to go when they think they need to work at a different level; a classic escalation.'</p> <p>'Also if they are senior and well thought of that is helpful. Often in big companies though, just because the CEO says something doesn't mean that people do that.'</p> <p>'When you are in a position like I'm in here driving the business from top to toe, reporting to pay masters,</p> <p>Direct authority of top managers in the development of CVU's</p> <p>'I...was persuaded by the chief executive.'</p> <p>'...I went to the CEO and he approved it that everyone fell in line and did it, and because of that success was so quick.'</p> <p>'...you have to do it with the CEO involved in what you're doing, if you don't there's absolutely no point.'</p> <p>'... we have the backing of top management or we'll be gone sooner or later.'</p> <p>'... being close enough to the decision circle.'</p> <p>'... my group wouldn't exist without senior management.'</p> <p>'...I wouldn't get the traction with senior executives if they didn't value it...being here three years later without being kicked out must mean they see something.'</p> <p>Corporate division authority</p> <p>...corporate product divisions have a strategic process each year where people look at where they may want to develop'</p> <p>'... if the corporate division say no, as they have a new product coming out, then we will say no.'</p> <p>'... they will say whether these are actively going into the corporate firm and "We don't want you to work on them", or "Yes, you can take them".'</p> <p>'We just have to make sure we have spoken to all the product groups and they're okay with what we're doing.'</p> <p>The fragility of CVU manager facility in corporate relationships</p> <p>' We ran global competitions so we became known as people in the</p>	<p>The problem of being different</p> <p>Investing a hundred million a year in ventures is okay, but investing more, to help scale outside companies, would make it look overbalanced against existing business units inside the company.'</p> <p>Whether the company in general values it I don't know as we are so independent of them, a lot of them are jealous.</p> <p>It was insane to come in from a business with an eight million turnover and four thousand employees to something this small.</p> <p>...even if you isolate yourself as an incubator, you're not really isolated; there is a restriction on the culture and the right kind of culture and reward.'</p> <p>Dealing with being different</p> <p>'...some ventures are directly by my team as non-core or as too big or too far from core to be managed by the P&L profit and loss account of divisions.'</p> <p>'The analysts were on the corporate firm's back saying 'Why are you doing this? You don't need to be going anywhere with this business'. The corporate recognised that it wasn't the general direction of their business, but they have done something about that through structure internally.'</p> <p>' They need to understand what it is the company wants; what the company needs to be successful to dress them up in these clothes.'</p> <p>'but again it stalled as it was too far away from the corporate firms sort of, core interests.'</p> <p>The necessity of maintaining corporate acceptance</p> <p>'... those close to the core are highly valued. Those which are adjacent are lesser-valued and there are mixed views about those which are remote to the business. The creation of the venture created a split in legacy of the corporate firm and we wouldn't have had the approval to proceed without a link back to core.'</p> <p>'Yes we have a client mindset; we work on behalf of clients; our internal businesses and work at a global president level, so what we are doing is completely locked in with what business we want to do and how they use open innovation.'</p> <p>'The interface person with the corporate is more administrative, and it exists to try to make the venture sit more comfortably with the</p>	<p>Personal frames</p> <p>My mind works in our corporate own defined competencies</p> <p>Using corporate financial measurements</p> <p>they tend to do things in line with the corporate budget</p> <p>'Internally here performance is very much judged on hitting targets in the sales area...If we have achieved that via bog standard sales, or via ten corporate ventures, they would like to see growth potential in ventures, but if we don't hit sales targets (...) you know what I mean?'</p> <p>'The absolute financial return numbers are not big enough to cause wailing if we went away.'</p> <p>'The downside is that the rest of the company can, and do, tell you that if they had your money they would be making revenue tomorrow.'</p> <p>'Unless there is this bottom line number they can't see the benefit.'</p> <p>'You can see a corporate like the corporate firm as dinosaur-like, and another corporate firm is like that, hugely bottom line driven; but how they get there senior management can't tell you apart from management of money.'</p> <p>'If at this moment of time even if we are not on a financial upside there is no downside at all. If we ring in huge profits it's a no-brainer to anyone about where to put it and what do with it.'</p> <p>'It's different with the CV unit as we share the same offices and I think they recognise the challenges we have in achieving success as a venture. For the corporate firm success and failure is tied into the balance sheet, and there's lots more going on.'</p> <p>Working against corporate timeframes</p> <p>'As a corporate is a big corporate animal and deals with its own processes and decision making inertia. Things have to happen at a fast timescale and as a consequence so much grate.'</p>

area. It was a double edged sword, people knew you but you also had your head way above the parapet so people could shoot at you.' 'I feel that I am sufficiently senior to make a decision, but junior enough to risk being given the chop.'

CVU manager authority in venture development

'We have a corporate director on our board.

'...these guys have a powerful network and can persuade the network; the informal network which is generic across other companies too.'

'Proactively it is more the CV unit who will make introductions such as "This person will help" or "You should speak to this company." *The CVU manager* is good at this and will help with recognising needs and will help from a champion perspective.'

'Having the clarity of thought around what the venture can bring to the corporate and being able to then work the network internally.'

Corporate legal and financial authority for venture development

'The status of *the venture* is that we are in incubation so we are still technically part of the corporate firm.'

'Currently our contracts are signed as *the corporate firm*...Once we've secured funding individuals have the choice to move over to *the CV unit* as a separate company.'

corporate in terms of corporate governance.

'Having the clarity of thought around what the venture can bring to the corporate and being able to then work the network internally.'

'making sure that people understood why it was good for both the venture board and the company.'

If you have safety issues they would shut it down tomorrow; with anything we are doing.'

'External firms certainly do value us and internally it's mixed. The time horizon for what we do versus the time horizon of internal businesses people is different. What we do won't have an immediate impact. We're working on two to three years out, that's where the run occurs. They don't worry two to three years out, we can't help them now. Researchers time horizons are much more aligned. **Business people should be worried about the horizons of delivering futures, but they tend to get bound up in the day to day and future opportunities get lost.**

'There probably would be co-workers in marketing etcetera who wouldn't see value. A lot of these are long term PR, both cash and technology PR. A lot of issues are 'What am I selling next quarter' So they say 'Yes, these are fine deals but they won't effect me tomorrow, you say it's two years out and I won't even be here, so what is the value?' Engineering folks value it and see that we need help or IP so engineers definitely value it. Higher levels value it a lot as they are encouraging such deals. It's mid-levels, day-to-day operational, who look and I say 'I don't care as it is two to three years out'. What they do today may have been done though venturing two to three years ago and they don't care about what you do today for next year.'

Working within corporate risk tolerance

'The company didn't really value it now. Three people understood the value or potential but because of the politics and the way the rest of the business was run; huge and lucrative; they couldn't see the end of the old business and creation of new. It made it very difficult. Their view was it could potentially create value but there was so much risk involved and uncertainty people got scared and couldn't see how long it would take for value or whether value would ever arrive.'

'People will say 'Do the benefits outweigh the risks?', but they are reacting to the concept and haven't seen the details. When shown the details, they come into their comfort zone.'

'At my previous corporate firm they pulled a lot of people in and became expensive quickly. In my current corporate firm we have a small team and pull people in on temporary contracts if needed, so we don't have a large team attracting attention of people who want to cut costs when the market turns down.'

'People in the core business think we are wasting their

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money and say things like 'Where does it go, half the things we do go wrong' **Of course, it does that is the nature of the business. In their game one out of ten go wrong and they get on with it, but for us most things go wrong and we find ways to compensate.** The company is quite schizophrenic about it. They realise the benefit and contribution to the long term, but most of the company would rather we didn't exist and think things like "How can we cut them, how do we improve next quarters results? Get rid of that lot'. I don't think that is unique to this company, when I go to *an external CV network* I hear a very similar story.'

Becoming strategically or financially valued

'Once we launched as a success in a short space of time and people could see value to them it didn't cause a problem at all.'

'*The CV unit* definitely want to see value creation of future successful spinout. For *corporate* champions they want to see that but they also have to marry corporate governance and other things for *the corporate* which may run at slightly different tangent. They may want to know; "how does your position fit with other things at *the corporate* and how do we ensure we are not exposing to other forms of risk through the venture?" They have got a series of objectives, requirements etcetera which they need to represent on the board for *the corporate*, whereas

'**Within the corporate firm I don't know, maybe just seen as fuel for the venture and they are looking at the venture as a measure of success rather than the individuals within it,** more tie in to people who are seconded from *the corporate firm* and people brought in externally may be seen more as *the venture* team and they are interested in venture performing well rather than looking too much at individuals.'

'So, *the venture* is totally sold on it, *the corporate firm* is pretty sold on it, because it's got *corporate staff*, and it's a *corporate firm* venture, and so on. **Then you're helping the company and it's showing that we are good at this sort of thing and can produce spin-outs and ventures and what have you.'**

Technical Authority of technical experts

Frame 'Essentially a number of technical gurus were in a seminar in which they saw the technology and said we think we can do something better for you.'
 'What drove the bit that actually eventually led to where we are now, which is that someone that I'd known for quite a while who at the time... I knew him he was... Associate Professor at a research-intensive university...'
 'In the early days most people who were in it were the technologists.'

Personal academic authority

'But also worked in R&D and also honorary professor in a research-intensive university, so lecture and work there.'
 'I contribute to a research-intensive university summer school and using stuff for examples so people can look at things from entrepreneurial view – and we run our own summer school for research students we sponsored.'

Research division authority

'The venture is still the corporate firm. The champion is a senior manager in the research area in the corporate firm, then the CV manager who is the CV unit champion. Double-header thing, one doesn't succeed without the other.'

Market Gaining investor resources

frame '...all money to grow comes from outside VC.'
 '... we used...an angel investor who also had ambitions of turning his angel stuff into a venture capital type company so he was sort of somewhere on the bridge between the two....'

Developing market allocative resources

'And our major supplier is our major shareholder, they have a seat on the board, and are our most significant supplier'
 'From a personal standpoint the corporate relationship is only important as we need them as a supplier. From a company venture standpoint we need to have relationships as they are on the board.'
 Once we've secured funding individuals have the choice to move over to the CV unit as a separate company.'

Importance of technical ability

'...you could imagine being an engineer in in the corporate firm then through this line. Instead it has been through science and technology and the management of science and technology and this was the next step.'
 '... so there you look for something that is outside of what's current so you look for the things that there isn't any documentation on, you look for the things where there is no research, there's no patents etc etc and you investigate that and that effectively is where the technology came from.'

Translating research into legitimate activities

'The incubations team role is to take technology that's more theoretical than the product is supposed to be; taking something and making it easier for product groups and turn it into products.'
 'One of the things the corporate firm does all the time is that it changes the name of technologies it's working on, this is often a means of continuing to get funding for something laughs when it's actually the same thing underneath.'
 'IP venture activity is being watched to see what it does and the value calibrated. Questions are: "Does it make life easier for researchers?" I disagree with that, and say that due diligence does exist to make sure that the IP doesn't fit with internal firms.'
 'I look across to a US region and see people making millions, whereas here we have people getting third and fourth PhD's but not much having experience from the business side.'
 'I go round researchers, and if I see someone who wants to stay in a darkened room, I don't get excited about them. When I see people who want to get out to conferences, I do like people like that, and also those who want to get to product gurus, that also excites me.'

Achieving market acceptance

Some ideas came out which are only now being talked about in the public domain. Those kind of things are on people's agenda now, were part of ours in 2002/2003. Unfortunately some were perhaps ahead of general acceptance.'
 'What is an innovation in India or China might not be regarded as innovative here and vice versa.'

Becoming a future market leader

'I say to them that our city is an insignificant part of the world you have an opportunity to put this city on the map just like a well-known internet company put their city on the map.'

Being recognised as an independent external venture

'In the venture we are much more in charge of our own destiny and

The unique perspectives of researchers

'I go round the world seeing lots of R&D labs. Most don't know what to do with R&D labs in event that they have done more than company can productise. Often R&D think they have done enough, whereas product people never think they have done enough.'
 'What we do in the CV unit won't have an immediate impact. We're working on two to three years out, that's where the run occurs... Researchers time horizons are much more aligned. Business people should be worried about the horizons of delivering futures, but they tend to get bound up in the day to day and future opportunities get lost.'

Science enthusiasm

'They aren't always easy to find. It is clear that ones which are a success are driven by someone who really believed in the technology. They need to be enthusiastic about technology and see a real benefit to the client.'
 'People spend on a product as it helps their life not because it's a pretty piece of engineering – but I also like the science side – two different pleasures.'

Market-worth

'...for the CV unit the goal is minimum expenditure to achieve maximum valuation and the long term success of the business; the same as for the venture.'
 'I don't think it the corporate firm always has and the reason I think is through ignorance instead of anything else, in terms of not understanding the industry position of businesses, and that is a hard sell through to people.'
 'People now thinking more about, since 2001 and the dotcom era came and went and they can't make loads, people think more about pensions and are risk-averse. We don't force them to go into ventures but they can choose. There has been a sea-change since before 2001 and post-2001.'
 '...you have to look at where market booms are and see

Importance of market acceptance

Then you have the raw things of big successes when you have customers and when you don't get on and funding doesn't come to plan

The goodwill we got from customers and newspapers also meant there was little resistance.

we're able to move a lot smarter and quicker and what we think we need to do to develop business.

'If there are problems we attempt to try to sort it out, but it's up to the business to stand on their own two feet. They have to derive the business results as they are a standalone business, and we are effectively merely shareholders, and not majority ones.'

'Senior people have to be careful about what they do. They will speak positively and champion *the venture*. If an account manager asks to speak to a customer, they will say they are new and can't offer the same standards as the corporate firm do, which *the venture manager* probably doesn't like to hear, but a great company.'

'...you should maybe speak to one of our CEO's.'

**Note that the ventures were all legally partly or wholly owned by the corporate firm, yet are being rhetorically positioned as independent organizations **

technologies in a different light. Markets and technologies move on and you have to constantly reassess things.'

Emphasising independent startup

They know it's difficult and that not everyone is set up to do it; it's a limited skill, and only one in ten who start up make it.'

'I am charged with building a business and everything that doesn't contribute to that or gets in the way, I will jump up and down about.'

They have got to be professional but also have the drive to say "I can really see this". If you have a pure professional alone and not the drive to see this as your baby, it is likely you will be less successful.'

'They have got great customer empathy, and they go out with MDs to meet either projects or customers; they have to sell what they are doing while trying to negotiate input; a commitment of some sort.'

Developing new businesses

'I remember a chief executive said it was good for morale raising; but wasn't about that it was about new business development.'

'We're here not to generate new business, but new profitable business.'

'I don't like to be called a VC, as traditionally they have a reputation for screwing everyone in sight to maximise their concern. I like to think of myself of someone who gets a kick out of creating companies and that turns me on...'

Using venture capitalist approaches

'...that's what we partner with.'

'In the VC world people prefer to have an excellent management team and an average idea rather than other way round. There is more weight in people taking things forward in the VC world, it's the kind of skillset which will survive into the new world.'

'He said 'Hey, this is the 21st century, we're trying to make some money and make some real process around this. We will bring in VC and if everything goes well you'll be rich, everyone will be rich and happy.' That is the case in one or two examples, but a lot of people found themselves in a world which was alien. Many were *corporate* through and

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though, putting in their own time and working lots of hours was a problem.'

'At the time one person said "This is a miserable result as VC's make four times this amount, you should stop with the corporate" and "Too much wait and see" I said I also invested in a fund which made a lot of money, so lets look at the future and how VC funds make money in innovation and combine that with corporate and, and said "Okay but what will that cost me?"