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## THE IMPACT OF DOMAIN SPECIFIC WORK EXPERIENCE ON CORPORATE VENTURING PERFORMANCE: EVIDENCE FROM SPAIN (INTERACTIVE PAPER)

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## ≈ INTERACTIVE PAPER ≈

**THE IMPACT OF DOMAIN SPECIFIC WORK  
EXPERIENCE ON CORPORATE VENTURING  
PERFORMANCE: EVIDENCE FROM SPAIN**

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**Principal Topic**

Internal corporate ventures (ICVs) (Burgelman, 1983), are important for organizational renewal and strategic innovation. Yet, ICVs differ widely in their performance and there is much less convergence on how to improve their contributions to organizations. Our aim is to contribute to this discussion in two ways. First we investigate how different types of domain specific experience (entrepreneurial or intrapreneurial) affect the individual performance in corporate venturing by differentiating successful and unsuccessful venturing attempts. Previous studies focused on binary (ICV activity or not) variables without the ability to differentiate performance outcomes. Second, we analyze how knowledge about the organization and autonomy in decision making moderate the relationship between domain specific work experiences and venturing performance.

We derive testable hypotheses against the background of human capital and knowledge transfer literatures (Becker, 1965; Tsai, 2001). We extend the arguments that domain specific knowledge is hard to transfer (Hansen, 1999) and that increased complexity of knowledge puts increased demands on professional networks (Hansen 1999). Understanding the ICV task as distinct from the independent entrepreneurial development of a new venture, we argue that the respective domain specific experience acquired in either domain might not be easily transferable to the other.

**Methods**

Primary employer-employee data from over 300 individuals involved with ICVs in Spanish organizations allow differentiating between domain specific experiences of previous independent entrepreneurship and previous ICV efforts. The data contain performance outcomes in form of the number of successful and unsuccessful internal corporate ventures managed by a subgroup of respondent (venture managers). By matching the data with publicly available performance data for the employer organizations, we include important organizational control variables. Analysis of seemingly unrelated regressions (SURE) allows for the differentiation of entrepreneurial and intrapreneurial experiences on the development of successful and non-successful ICVs, as judged by the leading ICV managers themselves. It also allows testing the hypothesized moderation effects of autonomy and knowledge about the parent organization.

**Results and Implications**

Initial results suggest that intrapreneurial experience positively impacts ICV performance. Previous entrepreneurial experience has a pronounced negative impact on ICV performance. We also find initial empirical support of two moderators: autonomy and knowledge about the organization both strengthens the positive relationship between intrapreneurial experience and individual ICV performance.

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