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CORPORATE ACCELERATORS – A GROUNDED STUDY OF ITS MOTIVES, MANIFESTATIONS AND MEASURES

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≈ SUMMARY ≈

CORPORATE ACCELERATORS – A GROUNDED STUDY OF ITS MOTIVES, MANIFESTATIONS AND MEASURES

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Principal Topic

Corporate Accelerators (CA) is a recent but rapidly growing phenomenon. The few academic studies on the topic are largely descriptive and assume CA to be similar to independent startup accelerators or seed accelerators which are defined as “fixed-term, cohort-based programs, including mentorship and educational components that culminates in a public pitch event, often referred to as demo-day.” But there is a strong and growing belief that CA is different from independent startup accelerators. There is also limited understanding on the process perspective of acceleration at large and CA in specific. While the benefits of acceleration on startups remains mixed, how it impacts the corporation is understudied. Research will benefit from exploring the underlying motives behind corporations running CA programs, their manifestations and resulting benefits (if any).

In this paper we explore the following research questions: (a) why do some organizations create corporate accelerators? (b) How are corporate acceleration programs organized and run and (c) to what effect?

Method

We use an inductive, grounded theory methodology to develop a process model of CA. Four corporations running CA programs in India were purposefully included in the study. 31 semi-structured interviews with corporate executives, CA managers, and accelerated startups were triangulated with field notes from visits to CA units, graduation day events and secondary data (third party news reports, Twitter feeds, and LinkedIn profiles). Our data collection spanned nearly a year.

Results and Implications

Our analysis revealed a dynamic process of how corporations use accelerators to enhance their entrepreneurial orientation in two divergent ways. Based on their strategic posture and investment orientation, one set of CAs engaged in strategic acceleration, adapting themselves to emerging innovations, the other group, engaged in venture acceleration, buying themselves an option into the innovations of the future. These insights provide a grounded theoretical framework for subsequent research to better understand how corporations can design and run corporate accelerators when challenged to remain entrepreneurial. Specifically, our emergent model serves as the foundation for offering contributions to: theory on accelerators / acceleration; theory on managing organizational innovation and entrepreneurial orientation; and improving CA practice in corporations.

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