

Small business intrapreneurship

Business



In the early stage of existence, formal planning tends to be nonexistent except for the business plan. The business plan can be defined as a document which specifies the business detail of the company by the entrepreneur. The primary goal is to remain alive within the industry. As the company grows, formal kind of planning is not usually instituted until the company does not reach its success stage in the growth stages of the company.

For example, High Tone Records in the US has defined a goal by carving out a niche in the volatile record industry by focusing only on rootsmusic, which is an electric mix of soulful and down home sounds with country edge. This company is only one of the few surviving profitable companies in the country. Organizing In the 2 stages of company's growth, the company's organization structure is very informal, where all the employees are reporting to the owner of the company.

By the third stage the functional managers are hired to take over the duties from the owner. A functional organization will be created and there will be changes in all the departments of the company. In this stage the managers will be able to learn how to delegate responsibilities to others. But these days most small companies in the US are limiting creating ways so that they can stay small but still grow. For example, Woodspirits it a company that produces and distributed 300, 000 soaps to its customers annually. It just employs 3 that work for the company.

The company doesn't want to lose its edge and flexibility; therefore the companies are willing to stay small. Leading Leading is considered to be the driving force in the development of the company, and it is one of the ways to <https://assignbuster.com/small-business-intrapreneurship/>

manage a company. The vision along with the leader's personality actually shapes the small company. With the help of leadership, it is able to point out cultural values, efficiency and ethics of the company. Leadership is also considered important because a great deal of small businesses usually have a hard time of employing qualified workers.

There is always a labor shortage for a small company, and these shortages usually damage the company a great deal. Controlling It is also important that there is a financial control in the company. In the company's starting days control was exercised by simple accounting records and through personal supervision. The control techniques usually become more sophisticated during the resource maturity of the company. For example, the Sock Shop was originally a hit in the US, but it failed due to a lack of control within the company.

Intrapreneurship in a Small Business Intrapreneurship can be defined as a process which recognizes the need for innovation within the company, plus it helps with managing the company. The following rules help to develop the necessary environment which is required in the company, they are as follows:

1. The employees should be encouraged
2. The management should use informal meeting whenever possible
3. The company should learn to tolerate failure and learn from it
4. The employees should be rewarded for their innovative ideas

5. Teams should be formed

References Scott, M & Bruce, R (2002), ' Five stages of growth in small business'. Retrieved on 6th December'08 from , Szarka, J (1990), ' Networking and Small Firms'. Retrieved on 6th December'08 from ,

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