



Vaasan yliopisto
UNIVERSITY OF VAASA

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**Corporate entrepreneurship capabilities
management and development in the context of
organizational rejuvenation**

School of Management
Master's thesis in
Strategic Business Development

Vaasa 2022

UNIVERSITY OF VAASA**School of Management**

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Title of the Thesis: Corporate entrepreneurship capabilities management and development in the context of organizational rejuvenation
Degree: Master of Science in Economics and Business Administration
Programme: Strategic Business Development
Supervisor: Paula Linna
Year: 2022 **Pages:** 104

ABSTRACT:

The fast-pace and continuously evolving business environment of today sets new challenges for business actors in the markets, as firms must engage in continuous innovation and rejuvenation to remain relevant and ahead of the competition. Corporate entrepreneurship (CE), entrepreneurship within existing organizations, is a crucial part of achieving this renewal. The organizational rejuvenation dimension is especially relevant from this perspective, as it covers the corporate entrepreneurship agenda targeted toward renewing the organization itself. Yet, the methods and activities through which this organizational rejuvenation and the related capabilities are managed and developed are not distinguished in existing literature. Therefore, this thesis aims to fill this gap.

The research objective of this thesis is to explore how corporate entrepreneurship capabilities targeting organizational rejuvenation are managed and developed. Thus, the theoretical framework of the study constitutes of literature streams related to corporate entrepreneurship, dynamic capabilities, and the management research surrounding the topics. The study applies a qualitative research method, using a single-case study to explore the research phenomenon. The empirical data for the study is gathered through eight semi-structured interviews. The selected interviewees represented various functions of the organization and hosted diverse backgrounds and previous experience.

The results suggest five capabilities are particularly important for achieving organizational rejuvenation: organizational change, innovation, learning, leadership, and culture. The capabilities' interplay additionally impacts the organization's ability to rejuvenate and manage or develop these capabilities. The results further indicate that management level activities are vital for fostering an environment that enables corporate entrepreneurship to occur, aiding with resource allocation, facilitating trust, and allowing individuals practice entrepreneurship and showcase their innovativeness. It is further concluded that despite the significance of management support, the entrepreneurial individuals within the firm are the most important facilitators of corporate entrepreneurship, and thus HRM practices such as hiring, and rewards are important for achieving organizational rejuvenation. The thesis further presents key aspects that impact capability development and management for each of the specific capabilities described above.

KEYWORDS: Corporate entrepreneurship; Intrapreneurship; Organizational rejuvenation; Dynamic capabilities; Capability development

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1 Introduction

Entrepreneurship was long considered to be something merely start-ups and other smaller, new firms require and are engaged in, but now, as the business environment has become dynamic and rapidly changing, the need for entrepreneurial activity and mindset within all existing organizations is evident – entrepreneurial activities such as innovation and renewal practices are considered to be just as crucial for large corporations (Covin & Miles, 1999; Adenfelt & Lagerström, 2006). Firm survival depends on an ability to renew the company based on the requirements of the environment, and therefore corporate entrepreneurship (CE), entrepreneurship within existing firm, is crucial for achieving superior performance (Covin & Miles, 1999).

The modern business environment is constantly changing, and therefore continuous development and adaptability are necessary for firm survival (Antoncic & Hisrich, 2001). The current business environment forces organizations to innovate, take risks, and use entrepreneurial leadership to remain relevant (Kuratko et al, 2015). Corporate entrepreneurship can improve firm performance and revitalization (Antoncic & Hisrich, 2001), and these efforts of strategic renewal and innovation positively influence both subjective and objective firm performance (Bierwerth et al., 2015). The key motivations behind corporate entrepreneurship phenomena further include its potential in reviving and increasing innovation, creativity, and leadership in firms (Kuratko and Audretsch, 2013).

Despite the definite relevance of corporate entrepreneurship as a facilitator of continuous renewal and competitive success for all organizations, the research of the phenomenon remains scant. The stream of research is relatively recent – Castriotta et al. (2021) found that corporate entrepreneurship related research has significantly increased only during the past 20 years, and the scientific prominence of the topic in literature has strengthened especially in areas of strategy. Perhaps due to this lack of prevalent

research position on the topic, the definition of the term corporate entrepreneurship in general, and the dimensions of the activity related to it are not unambiguous.

Strategic renewal of an organization is considered to be a core element of corporate entrepreneurship activity, however research on the dimensions related to reinventing organizational strategies and ways of competing in the existing and new markets remains scarce. Especially research on how to practice corporate entrepreneurship to develop the organization itself, organizational rejuvenation, is inadequate. Firms' struggles with staying relevant in the market can be linked to their inability or unwillingness in deploying corporate entrepreneurship (Skarmeas et al., 2016), and to avoid this outcome, it is highly important that organizations learn and host the abilities to alter their resource base, strategies, structures and processes to survive in the markets.

Notwithstanding the lack of prevalent theorization around corporate entrepreneurship, academia's interest on CE is widespread and increasing. Even though the need for corporate entrepreneurship and organizational rejuvenation is widely recognized, theoretical contributions do not showcase how this is reflected in practice (Huang et al., 2021). The economic environment of today generates great opportunities for innovation, but it also causes challenges for managing such activity and sustaining success – CE capabilities should be constantly developed and maintained (Klofsten et al., 2021) which requires input throughout the entire organization (Azis & Amir, 2020). According to Klofsten et al. (2021), knowledge on managing corporate entrepreneurship capabilities is important for enhancing resource allocation to facilitate business success and to design organizational environment to support innovational activity. Particularly dynamic capabilities are central for remaining relevant in the markets, as without them organizations lacking abilities to effectively renew themselves can terrorize their own resource base and fall behind the competition (Wu, 2007).

To shed more light to this area of corporate entrepreneurship, this thesis explores the capabilities organizations must host to enable corporate entrepreneurship in a form of

organizational rejuvenation. Due to the incoherence in research and the large variety of perspectives present in relatively scant corporate entrepreneurship literature, this study draws from research examining both corporate entrepreneurship and intrapreneurship phenomena, which are widely considered synonymous to each another. Furthermore, a large body of dynamic capabilities research examining CE, rejuvenation and specific capabilities from a variety of perspectives is used as a basis for creating an inclusive view of organizational rejuvenation capabilities management and development. The results of the study suggest that there are identifiable capabilities that can be considered vital for establishing organizational rejuvenation. These capabilities are managed through general management methods applicable to all the capabilities, and further through specific activities that target individual capability development and management.

1.1 Research gap

The value of entrepreneurial action for organizations has been proven by a variety of studies, yet information on corporate entrepreneurship in organizational settings and the behaviors related to it is lacking (Kuratko et al., 2015). Castriotta et al. (2021) claim further study is required on how organizations enact the corporate entrepreneurship process, and on similar grounds, Kuratko et al. (2015) call for more global research on understanding the moderators and mediating processes, outcomes, and economic impact of corporate entrepreneurship. According to Teece (2016), the models of how entrepreneurship is developed and instigated in firms remain inadequate, which is why these questions form an abundant ground for further exploration. Authors further investigate this abyss in literature from a variety of perspectives.

According to Castriotta et al. (2021), organizational context and entrepreneurial activity within firms are becoming more important in the field of corporate entrepreneurship, and they further state that there's a growing curiosity on organizational learning and internal resources to increase entrepreneurial mindset within an organization. Azis and Amir (2020) underline the need for further analysis for determining best practices for

entrepreneurship surfacing within an organization, and more efficient methods of adaptation to changes in the surrounding business environment are needed to manage this entrepreneurial capability (Honig & Samuelsson, 2021). Corbett et al. (2013) have shed some light toward this, claiming the base for applying corporate entrepreneurship is formed through individuals' skills, abilities and knowledge, however the authors note that more research on roles and responsibilities and the skills required to facilitate corporate entrepreneurship is needed. Authors also state the fundamentals of facilitating changes in an existing firm require exploration (Ruiz & Coduras, 2015) and internal processes that support corporate entrepreneurship lack sufficient framework (Skarmeas et al. 2016). Klofsten et al. (2021) conclude that the need for corporate entrepreneurship capabilities has been distinguished in existing literature, but claim insight on how these resources are developed is deficient – prevalent studies discuss entrepreneurship within firms, but do not address how the capabilities are managed to support entrepreneurial action and building a promotive mindset in firms. They deduce that more research on CE capabilities is therefore necessary for understanding how firms align and coordinate their resources to achieve higher performance and how the external environment impacts this process. Corbett et al. (2013) call for similar investigation, stating that the methods in which organizations invite, gain, and manage human capital to enable corporate entrepreneurship activity is an important perspective for developing corporate entrepreneurship capability and requires more insight.

As described by scholars, it is obvious that corporate entrepreneurship capabilities for organizational rejuvenation require further research. The stream is also highly relevant for understanding the corporate entrepreneurship phenomenon in broader level and more detail. Adenfelt and Lagerström (2006) claim a qualitative research format offers an opportunity to discover entrepreneurial initiatives and how they motivate organizational rejuvenation processes in multinational enterprises. Therefore, this thesis focuses on uncovering these attributes of organizational rejuvenation through exploring the capabilities related to it utilizing qualitative research methods.

1.2 Research questions

The aim of the study is to uncover how corporate entrepreneurship capabilities are managed and developed in order to achieve organizational rejuvenation. Thus, the primary research question for this research is:

How are corporate entrepreneurship capabilities for fostering organizational rejuvenation managed and developed?

Three sub questions help answer the primary research question:

1) *What are the key CE capabilities in the context of organizational rejuvenation?*

Organizational rejuvenation is one of the dimensions of corporate entrepreneurship, and it is concentrated on examining the processes and capabilities involved in executing entrepreneurial strategies in existing organizations (Castriotta et al., 2021). Therefore, the key capabilities in the context of organizational rejuvenation are explored first.

2) *What are the key methods utilized in organizations to manage these capabilities?*

Several authors have identified the lack of research in how corporate entrepreneurship capabilities are managed, developed, and encouraged in practice. To understand this management process related to continuous capability optimization, the second research task is to determine how these capabilities are managed in organizations and what are the main practices used to support capability creation and development for this purpose.

3) *How are the CE capabilities developed and maintained in practice within firms?*

The final sub question further aims to form a comprehensive and more detailed framework for the practices and methods implemented to develop these capabilities. The

question is targeted toward identifying the key methods firms use to promote entrepreneurial mindset and capability development in corporate surroundings.

1.3 Structure of the thesis

This thesis consists of six chapters:

The research objectives and motivation of the study are presented in the first chapter to provide background for the thesis and shed light on key gaps in CE literature in the context of this study.

The second chapter, literature review, provides an overview of the existing literature in the field of corporate entrepreneurship, and uncovers key terminology and theoretical context for the research. The framework uncovered in the literature review is then compared to research outcomes in the last chapters of the thesis.

The research design, data collection and analysis method, and grounds for validity and reliability of the study are explained in the third chapter, methodology, whereas the results of the study are then presented in chapter four, and mirrored against existing theoretical contributions and previous findings to create a solid extended theoretical framework for corporate entrepreneurship capabilities management and development in the context of organizational rejuvenation in chapter five, titled discussion.

Lastly, the research outcomes are concluded in chapter six. Theoretical contributions, managerial implications, limitations and suggestions for further research are also presented in the final chapter of the thesis.

2 Literature review

The corporate entrepreneurship (CE) or *intrapreneurship* phenomena are multidimensional and interlinked with a variety of other important research streams, such as innovation, organizational studies, and strategy (Castriotta et al., 2021). Therefore, the literature covers themes from various different scientific disciplines touching the CE and organizational rejuvenation phenomena.

2.1 Corporate entrepreneurship

Corporate entrepreneurship or intrapreneurship is habitually referred to as entrepreneurship within an existing organization (Antoncic & Hisrich, 2001; Molina & Callahan, 2009). The organizational and environmental factors unique to this form of entrepreneurship differentiate the phenomenon from other categories of entrepreneurship.

Entrepreneurship

According to Antoncic & Hisrich (2001) entrepreneurship differs from general activity management in emergent behavioral intentions and behaviors, such as innovation and organizational formation, that surface within the concept. The authors further argue non-entrepreneurship is about management of existing procedures, whereas these emergent activities present in entrepreneurship aim toward value creation and improved competitive status and are not customary. Finding and understanding opportunities and building novel combinations of elements are crucial activities of entrepreneurship (Teece, 2012), and this interplay between entrepreneurship and innovation is especially highlighted in literature. Covin and Miles (1999), for instance, identified the presence of innovation as a defining characteristic for entrepreneurial firms and claim a firm cannot be titled entrepreneurial if it is not innovative. The dynamic relationship between entrepreneurship and innovation is additionally reinforcing firms' competitive advantage

– Urban and Wood (2017) claim the combination of entrepreneurship and innovation is essential for gaining success.

Kuratko & Audretsch (2013), building on Covin and Slevin (1991) and Morris et al. (2011) ground paving work, further claim entrepreneurship entails three key components that are present in entrepreneurial activity – innovativeness, risk-taking and proactiveness. These dimensions are often linked with entrepreneurial orientation (EO), described as the traits, characteristics, and culture of an entrepreneurial organization, which is repeatedly highlighted in literature when discussing entrepreneurship within an organizational context (Chen et al., 2011; Kuratko et al., 2015). In addition to these three widely recognized dimensions of entrepreneurship, research highlights competitive aggressiveness (Antoncic & Hisrich, 2001), and autonomy (Chen et al., 2011). According to Chen et al. (2011), autonomy depicts individual/team actions in pursuing opportunities, innovativeness refers to a firm's habit of applying creative solutions, risk-taking to how a firm grasps and advances opportunities, proactiveness demonstrates a firm's ability to be first in applying entrepreneurial activity, and competitive aggressiveness explains firm's propensity to challenge competitors and forming competitive advantage. These dimensions are heavily interrelated with the term entrepreneurial behavior (EB) (Kuratko et al., 2015), which demonstrates entrepreneurial decision making and execution processes within a firm (Chen et al., 2011). Chen et al. (2011) found that the level of entrepreneurial behavior positively impacts entrepreneurial orientation, signifying that entrepreneurial actions promote the creation of entrepreneurial organization culture.

Additionally, Kuratko et al. (2015) highlight the frequency and intensity of entrepreneurial activity. A firm can be engaged in highly entrepreneurial activity seldom, or it can constantly develop entrepreneurial initiatives, but may lack in areas of the three key components, innovativeness, risk-taking and proactiveness (Kuratko & Audretsch, 2013). Therefore, firms' commitment to entrepreneurship and entrepreneurial activity varies – Antoncic & Hisrich (2001) demonstrate firms fall on a continuum ranging from entrepreneurial to no commitment toward organizational entrepreneurship. Further, (corporate)

entrepreneurship is a phenomenon emerging on a variety of organizational levels, both individual and wider stages (Antoncic & Hisrich, 2001).

Corporate entrepreneurship (CE)

Burgelman (1983) claims corporate entrepreneurship stems from internal entrepreneurship research, arguing that internal entrepreneurship consists of new resource combinations embedded in the resource build of an existing firm and thus host some dependence to it, whereas external entrepreneurship process is a distinctive resource combination and not reliant on other resources. The term organizational entrepreneurship is also used to describe entrepreneurial activity within existing organizations (Antoncic & Hisrich, 2001), however corporate entrepreneurship is the most prevalent term for the phenomenon in literature.

Other authors have then specified the characteristics that differentiate corporate entrepreneurship from traditional entrepreneurship – supporting Burgelman’s notions, scholars claim corporate entrepreneurship surfaces internally in an existing organizational framework (Molina & Callahan, 2009) regardless of firm size (Antoncic & Hisrich, 2001), whereas traditional entrepreneurs act in new organizations using and building their own resources and host more external focus (Molina & Callahan, 2009). Entrepreneurial individuals acting within an existing organization, often titled *intrapreneurs* in literature, use firm resources that are easily available and interact in an environment where a set hierarchy and habit of operations are already in place and may set boundaries to entrepreneurship (Molina & Callahan, 2009; Honig & Samuelsson, 2021). In contrast to traditional entrepreneurship, intrapreneurs, with existing resources available for use, tend to include systematic analysis and planning in their approach toward improvement (Honig & Samuelsson, 2021). Burgelman (1983) claims that corporate entrepreneurship is generally a joint activity of various participants, which is where it further differs from practicing individual entrepreneurship. Urban and Wood (2017) further highlight CE is a holistic phenomenon that should reach the entire organization rather than only a part of it.

Despite the presence of these extensively agreed characteristics, authors argue there is ambiguity in outlining the corporate entrepreneurship construct and claim the research stream suffers from lack of clear conceptualization. Covin and Miles (1999) and Castriotta et al. (2021) argue a universally accepted definition of the phenomenon cannot be identified, and research advancements have been negatively impacted by this uncertainty and criticism related to defining the term. The indistinct demarcation and scatteredness of directions in literature have led to non-cumulativeness of research and knowledge on corporate entrepreneurship (Ireland et al., 2009). This lack of clear conceptualization further impacts the general understanding of the phenomenon and processes and outcomes related to it (Castriotta et al., 2021; Covin & Miles, 1999), however the field of CE research is theoretically diverse, drawing from other management theories. Glinyanova et al. (2021) raise the resource-based view, knowledge based view, organizational learning and dynamic capabilities as such frameworks explored in corporate entrepreneurship literature in their analysis of CE documents published during the past 45 years.

Perhaps due to the lack of prevalent definition, terms corporate entrepreneurship and intrapreneurship are often used as substitutes for one another in management literature (Castriotta et al., 2021). Some scholars draw subtle distinctions in terminology in research touching the topics (Molina & Callahan, 2009); for example, Antoncic and Hisrich (2003) use intrapreneurship as an umbrella term for organizational entrepreneurship, however, claim that the term corporate entrepreneurship is generally appropriate when discussed entrepreneurship within an organizational context. According to them, the term intrapreneurship is especially descriptive of behavioral intentions related to the phenomenon. Similar to this statement, Covin and Miles (1999) identify individuals championing new product ideas as intrapreneurship and differentiate “entrepreneurial philosophy” as organization’s operations and general outlook on the phenomenon. According to Castriotta et al. (2021), some authors refer to intrapreneurship as the research

stream concerned with the strategic dimension of corporate entrepreneurship. Therefore a very subtle distinction may be noticeable in authors referring to the phenomenon as intrapreneurship, and such publications typically highlight aspects such as individuals' role (Farrukh et al., 2021) and behavioral factors (Ambos & Tatarinov, 2021). Despite the unclarity in terminology and varying nuances evident in relation to the research stream, Castriotta et al. (2021) found terms "intrapreneurship" and "entrepreneurial orientation" have increased in CE literature during the latest years, signaling the recent shift in general organizational research toward entrepreneurship. This further indicates CE is becoming a relevant research stream alongside more traditional strategic and organizational studies.

As stated in the introduction, due to the large footing of research exploiting the terms interchangeably, this research considers studies applying either of the terms. As corporate entrepreneurship is more prevalent across literature (Glinyanova et al., 2021), the term is applied in this study.

Definition

Definitions of corporate entrepreneurship vary, as described in the above section and visible in Table 1. Burgelman's (1983) pioneering article describes corporate entrepreneurship as "the process whereby firms engage in diversification through internal development", and states autonomous strategic behavior forms the basis of corporate entrepreneurship. Sharma and Chrisman (1999) take a broader view, proposing that CE entails both 1) creation of new organizations with support and resources from an existing organization, and 2) internal renewal or innovation within an existing firm, mirroring the common split between corporate venturing and strategic entrepreneurship dimensions of CE.

Table 1. Examples of corporate entrepreneurship definitions

Author	Definition	Term
Burgelman (1983)	"The process whereby firms engage in diversification through internal development"	Corporate entrepreneurship
Sharma & Chrisman (1999, p.18)	"The process whereby an individual or group of individuals, in association with an existing organization, create a new organization or instigate renewal or innovation within that organization"	Corporate entrepreneurship
Antonc & Hisrich (2003)	"Entrepreneurship within an existing organization, referring to emergent behavioral intentions and behaviors of an organization that are related to departures from the customary"	Intrapreneurship
Corbett et al. (2013)	"CE seeks to renew established organizations, thereby facilitating their viability and competitiveness through the utilization of various innovation-based initiatives"	Corporate entrepreneurship
Skarmeas et al. (2016)	"Entrepreneurship within an existing organization"	Intrapreneurship
Farrukh et al. (2021)	"Intrapreneurship is a system that provides opportunities for employees to act as entrepreneurs in the organization"	Intrapreneurship
Ambos & Tatarinov (2021)	"Entrepreneurial behavior in established organizations"	Intrapreneurship
Castriotta et al. (2021)	"An organizational phenomenon that describes possible actions and approaches towards innovation, which connect the individual, the organization, and the environment levels of analysis"	Corporate entrepreneurship
Guerrero et al. (2021)	"Higher-level competencies that determine that entrepreneurial organizations will be able to improve/transform their routines into entrepreneurial actions to integrate, build, and reconfigure internal/external resources"	Intrapreneurship

Aligned with the majority of definitions for entrepreneurship, many conceptualizations of CE highlight the role of innovation (Corbett et al., 2013); Castriotta et al. (2021) for instance propose a holistic definition of CE, stating it can be understood as "an organizational phenomenon that describes possible actions and approaches towards innovation, which connect the individual, the organization, and the environment levels of analysis". Yet, it is important to note that this entrepreneurship within organizations entails more than only innovation (Covin & Miles, 1999). Additionally, innovation processes are complex and usually involve high risks, which are present in corporate entrepreneurship –

mere effort toward the innovational or entrepreneurial process does not guarantee success (Urban & Wood, 2017), and the organizational environment must thus be supportive of risk and uncertainty (Shepherd et al., 2013). Entrepreneurial actions are furthermore hard to manage, as they often surface spontaneously as by-product of other organizational initiatives (Burgelman, 1983). To summarize, entrepreneurial or innovative actions within an organization do not automatically demonstrate effective corporate entrepreneurship agenda.

According to Covin and Miles (1999), corporate entrepreneurship facilitates competitiveness through applying efforts toward “the rejuvenation, renewal and redefinition of organizations, their markets, or industries”, however defining CE outcomes is very difficult due to the nature of the phenomenon. Corporate entrepreneurship is a dynamic and evolving phenomenon even in a single organization, emergent in a variety of organizational phases and processes (Urban & Wood, 2017). For instance, Covin and Miles (1999) identified key areas of corporate entrepreneurship as 1) existing organizations involving themselves in a new business, 2) individuals producing novel product concepts within an existing organization, and 3) an entrepreneurial philosophy infiltrated through the organization. Antoncic and Hisrich (2001), on the other hand, describe entrepreneurship in firms as a practice of curiosity and searching for new activities near the organizational boundaries, rather than managing existing activities at the core of the business. Guerrero et al. (2021) further argue CE activities can be viewed as “higher-level competencies that determine that entrepreneurial organizations will be able to improve/transform their routines into entrepreneurial actions to integrate, build, and reconfigure internal/external resources”. These actions are highly interrelated with the entrepreneurial behaviors emergent in corporate entrepreneurship. Covin and Miles (1999) summarize that corporate entrepreneurship is a multidimensional organizational phenomenon, emerging when innovation, rejuvenation, and redefinition occur. Nevertheless, companies applying CE can harness opportunities emerging in the dynamic environment and turn them to sustainable success – for example facilitate new business model creation to create competitive edge and success (Azis & Amir, 2020).

Following the above theoretical contributions, this thesis recognizes corporate entrepreneurship as an organizational phenomenon portraying the innovative and entrepreneurial competencies through which an organization transforms itself.

2.1.1 Dimensions of corporate entrepreneurship

As stated above, Burgelman (1983) claims the roots of corporate entrepreneurship study are in strategy process research, and especially in the internal entrepreneurship research. Early corporate entrepreneurship literature did not clearly define the phenomenon, and often entailed it as a part of general innovation research in the organizational context (Corbett et al., 2013), but throughout the years this has morphed into an identifiable research stream containing further categorizations. Early research on entrepreneurship within existing organizations in the 1970's and 1980's evolved around business venturing and the entrepreneurial individual within an organization (Antoncic & Hisrich, 2001) and strategic renewal (Corbett et al, 2013). Developing entrepreneurship in established firms and research on value creation through entrepreneurial behavior further became prevalent themes in research during this period (Kuratko et al., 2015). According to Kuratko and Audretsch (2013), 1990's research then drew attention toward achieving higher firm performance through corporate entrepreneurship, whereas more recent research streams investigate entrepreneurial characteristics at an organizational level (Antoncic & Hisrich, 2001) and gaining competitive advantage through entrepreneurial efforts (Kuratko et al., 2015). Kuratko et al. (2015) summarize the key interest covered in corporate entrepreneurship research as 1) definition 2) management 3) implementation 4) measurement of CE. This variance in emphasis throughout the years has then led to various categorizations and CE dimensions proposed in literature.

As the organizational entrepreneurship construct has been conceptualized in varying perspectives of study during the recent decades and using an array of terms, the

categorization of the phenomenon is somewhat scattered. Studies propose a variety of dimensions and groupings of aspects surfacing within the phenomenon, some using the entrepreneurial orientation methodology and others separating it to clusters by the nature of actions and approaches. Despite this dispersed nature of CE literature, the research on corporate entrepreneurship often divides the phenomenon to two main categories or domains, corporate venturing, and strategic renewal (Kuratko & Audretsch, 2013; Kuratko et al., 2015) or strategic entrepreneurship (Corbett et al., 2013; Kuratko et al., 2015). Despite being considered forms of the same overarching theoretical framework, these two domains are often separated in literature and examined as their own entities, strategic entrepreneurship covering transformation within and of existing organizations (Kuratko et al., 2015) and corporate venturing focused on venture creation in existing organizations or with the resources of existing organizations (Antoncic & Hisrich, 2001). As the number of studies in the field of CE has increased, further categorizations and more detailed dimensions have been identified.

Corporate venturing (CV)

According to Kuratko and Audretsch (2013), corporate venturing was the first identified domain in the CE research and is often considered as the traditional form of corporate entrepreneurship (Antoncic & Hisrich, 2001). Corporate venturing can be further divided to three main categories: internal, cooperative, and external corporate venturing, however a firm may practice CV through one or multiple of these approaches simultaneously. In internal corporate venturing, an organization owns the new venture, whereas cooperative or joint corporate venture is owned by the organization together with an external party. In external CV, an organization either acquires or invests in an originally external venture. (Kuratko & Audretsch, 2013). According to Covin and Miles (1999) corporate venturing may be useful in increasing the level of entrepreneurship and tolerance of change within an organization, through investing or acquiring an existing organization with remarkable entrepreneurial capability, instead of developing and investing in increasing entrepreneurship in the existing firm, and therefore CV can have a significant

impact to corporate entrepreneurship in general. This study, however, is concerned with the other key domain of corporate entrepreneurship, strategic entrepreneurship.

Strategic entrepreneurship

The entrepreneurial activities emerging in existing organizations outside of corporate venturing can be grouped under term strategic entrepreneurship (Corbett et al., 2013), and thus it entails a vast array of entrepreneurial pursuits in a corporate setting. According to Kuratko et al. (2015) this research stream may describe any actions taken to gain competitive advantage that do not lead to establishing new businesses. The strategic entrepreneurship dimension may be considered a continuum of the strategic renewal framework.

In early research, strategic renewal was considered to be one of the two dimensions of CE alongside corporate venturing. According to Covin and Miles (1999), strategic renewal is a phenomenon where organizations change the way they compete by adjusting their external relationships. Kuratko et al. (2015) describe this form of entrepreneurship in an organizational setting as implementation of a new strategy. Covin and Miles (1999) cogitate the dimension is focused on the environmental context of the organization and how it is interfaced with the external environment rather than the internal aspects of the organization, claiming strategy is the key contributor to strategic renewal, and further stating repositioning actions are usually at the core of such strategies. The authors further note this practice is not only relevant for corporations facing challenges, but all organization striving to remain relevant in their industry.

Covin and Miles' definition of strategic renewal is limited and places heavy emphasis on the external factors in comparison to newer conceptualizations, however some authors still pertain the term in their publications. Kuratko and Audretsch (2013) describe strategic renewal as "exhibition of large-scale or otherwise highly consequential innovations that are adopted in the firm's pursuit of competitive advantage". These strategic

innovations may occur in any level or part of an organization and can be described as “fundamental changes to the firms’ past strategies, products, markets, organization structures, processes, capabilities or business models” (Kuratko & Audretsch, 2013). Ireland et al. (2015) highlight that two perspectives should be considered when discussing strategic entrepreneurship – the breadth of transformation within an organization itself, and the transformation compared to industry standards, bringing together the externally focused view of Covin and Miles (1999) and more recent contributions of authors such as Kuratko and Audretsch (2013).

Despite their differences in emphasis, all the above views highlight strategic change. A vast number of studies further tie the phenomenon with strategy, identifying corporate entrepreneurship or intrapreneurship as a strategic direction or firm strategy (Kuratko & Audretsch, 2013; Kuratko et al, 2015). Ireland et al. (2009) support these theorizations, arguing strategy is a key element of corporate entrepreneurship and can showcase firm’s entrepreneurial ability. According to Peltola (2012) corporate entrepreneurship strategy can be a source for survival in highly competitive business environment, and entrepreneurial behavior is the backbone of such strategies. Castriotta et al. (2021), however, claim there’s ambiguity especially in understanding the means through which organizations endorse the CE process, and literature offers a wide selection of approaches toward entrepreneurial strategies, which negatively impacts implementing such strategies (Ireland et al., 2009). Antoncic & Hisrich (2001), for example, state that corporate entrepreneurship entails development of new products and services, administrative techniques, strategies, and competitive postures in addition to the traditional perspective of business venturing, describing a wide range of activities.

As strategic entrepreneurship is considered to involve all entrepreneurial pursuits outside of new business creation, further dimensions and breakdown of the phenomenon have been examined in literature. Some authors comprise these dimensions with the overreaching organizational entrepreneurship phenomenon without forming the distinction between CV and strategic entrepreneurship, but various authors differentiate

them. Antoncic & Hisrich (2001), for example, separate the phenomenon to eight dimensions familiar from the entrepreneurial orientation research: 1) new ventures, 2) new businesses, 3) product/service innovativeness, 4) process innovativeness, 5) self-renewal, 6) risk-taking, 7) proactiveness and 8) competitive aggressiveness, that represent a variety of distinctions present in both CV and strategic entrepreneurship. Nevertheless, three dimensions of strategic entrepreneurship are widely agreed among scholars: sustained regeneration, domain redefinition and organizational rejuvenation (Cagriotta et al., 2021; Corbett et al., 2013; Covin & Miles, 1999; Kuratko et al., 2015). Other dimensions identified by research include strategic renewal (Covin & Miles, 1999; Corbett et al., 2013) business model reconstruction (Corbett et al., 2013; Kuratko et al., 2015) external entrepreneurship and competitive advantage (Cagriotta et al., 2021), see table 2. The scatteredness of the research outcomes and general understanding of the phenomenon is constantly present in conceptualizations, with many studies considering strategic renewal an umbrella term, whereas some identify it as a dimension among others above. It is further important to acknowledge that the mentioned dimensions are sometimes considered to apply to corporate entrepreneurship overall, however they are commonly referred to as dimensions of the stream of research focusing on the strategic elements of organizational entrepreneurship.

Table 2. Corporate entrepreneurship dimensions

Author	Dimensions of corporate entrepreneurship
Chen et al. (2011)	1) Sustained regeneration, 2) Organizational rejuvenation, 3) Domain redefinition
Covin & Miles (1999)	1) Sustained regeneration, 2) Organizational rejuvenation, 3) Strategic renewal 4) Domain redefinition
Yiu & Lau (2008)	1) Innovation, 2) venturing, 3) strategic renewal
Corbett et al. (2013)	1) Sustained regeneration, 2) Organizational rejuvenation, 3) Strategic renewal, 4) Domain redefinition, 5) business model reconstruction
Skarmeas et al. (2016)	1) New business venturing, 2) Innovativeness, 3) Self-renewal, 4) Proactiveness
Cagriotta et al. (2021)	1) Sustained regeneration, 2) Organizational Rejuvenation, 3) Domain Redefinition, 4) Competitive advantage, 5) External entrepreneurship

According to Castriotta et al. (2021), sustained regeneration refers to the forms of innovation within an organization, domain redefinition to potential exploitation opportunities for an organization, and organizational rejuvenation covers gaining competitive advantage through effective organizational changes. Corbett et al. (2013) note these key forms of strategic entrepreneurship target at gaining and improving competitive advantage, whereas Castriotta et al. (2021) found competitive advantage as a key theme has grown in significance in CE literature during the recent years and differentiate it as its own dimension. Covin and Miles (1999) highlight that these different dimensions may surface simultaneously in entrepreneurial organizations forming a variety of combinations, however they are not mutually exclusive (Chen et al., 2011). Chen et al. (2011) further state that balance of dimensions is essential for organizational success, and it may not be necessary to strive for application of all dimensions.

Sustained Regeneration

Sustained regeneration refers to the practice of introducing new products and services to existing markets or entering new market areas (Covin & Miles 1999; Kuratko et al., 2015), which requires organizational culture and flexible structure to support innovation and learning (Covin & Miles, 1999). Castriotta et al. (2021) propose a broader stand, stating the dimension is about continuous innovation rather than single innovative acts. Companies practicing sustained regeneration consider innovational capacity as a key element supporting their development and target increasing market share continuously (Covin and Miles, 1999). Firms engaged in sustained regeneration often compete through differentiation, and especially innovativeness, proactiveness and competitive aggressiveness play a significant role in facilitating sustained regeneration (Chen et al., 2011).

Domain Redefinition

In domain redefinition, organizations create and exploit completely novel product-markets that have not been previously identified or purposefully targeted (Covin & Miles, 1999) or significantly alter existing product or market categories (Kuratko et al., 2015). It is about recognizing and deploying new market positions unnoticed by competitors (Castrionta et al., 2021). In these situations, organizations may gain notable competitive advantage through their position in the market and reach a benchmarking role within the markets (Covin & Miles, 1999; Chen et al., 2011). As organizations engaged in domain redefinition are usually pioneering in their field, entrepreneurship is required and deeply involved within how such organizations recognize and use new arenas of opportunities in the markets, and the innovativeness is visible from multiple perspectives – firm, industry and the market (Covin & Miles, 1999). Aside of innovativeness, proactiveness and risk-taking are crucial elements of domain redefinition (Chen et al., 2011).

Organizational rejuvenation

Organizational rejuvenation is the dimension concerned with improving the organization itself, including the strategy, processes and capabilities related to it (Adenfelt & Lagerström, 2006). Adenfelt and Lagerström (2006) and Castrionta et al. (2021) highlight strategy and organizational change as key areas of the dimension, constantly noted by authors in literature – it is a particularly interesting stream of CE research, as it covers themes such as ambidexterity and organizational change that have an impact toward organizations' overall ability to innovate and exploit, and may therefore substantially affect the other dimensions of corporate entrepreneurship surfacing in an existing firm. Organizational rejuvenation is a key focus area of this study, and therefore this dimension is examined separately and in more detail in the following section.

2.1.2 Organizational rejuvenation (OR)

Organizational rejuvenation focuses on firms' ability to increase entrepreneurship through altering processes and structures, and it is an important and central dimension of CE (Cagriotta et al., 2021). Covin and Miles (1999) describe organizational rejuvenation as "a corporate entrepreneurship phenomenon whereby the organization seeks to sustain or improve its competitive standing by altering its internal processes, structures and/or capabilities", where the innovational efforts focus on the organization itself and the entrepreneurial activities targeted toward these functions (Adenfelt & Lagerström, 2006). Along similar lines, Kuratko et al. (2015) summarize the form as "internally focused innovation for strategy improvement". Cagriotta et al. (2021) combine these views, identifying organizational rejuvenation as the stream of corporate entrepreneurship research supporting entrepreneurial development within an organization through executing strategies by utilizing structure, processes, and capabilities. It is a research stream of corporate entrepreneurship integrating organizational studies and strategy (Cagriotta et al., 2021). Covin and Miles (1999) note that changing strategies is not essential for facilitating organizational rejuvenation, instead the dimension is more concerned with improving and developing existing strategies. Therefore, organizational rejuvenation efforts often impact internal orchestration of resources within an organization (Covin & Miles, 1999).

Covin and Miles (1999) state innovation related to organizational rejuvenation redefines operations within an organization, generates value to customers and increases firms' aptitude to implement and endure their strategy. Actions involved in organizational rejuvenation are usually considered moderate in effect, and are typically implemented in organizations that have already achieved accomplishment in the markets, where the entrepreneurial activity is often targeted toward improving performance (Covin & Miles, 1999). Therefore, activities related to organizational rejuvenation can be continuous, or related to specific change processes. Sometimes this dimension is also linked to

improving cost structure within organizations in literature, yet researchers have found managers value knowledge distribution over capital (Adenfelt & Lagerström, 2006). It is also notable that organizational rejuvenation is a far wider phenomenon than the cost efficiency perspective implies – the research stream entails themes such as dynamic capabilities, strategy, organizational change, ambidexterity, and organizational learning (Castriotta et al, 2021). Castriotta et al. (2021) argue these elements related to culture and learning are especially significant in this context and require further research.

According to Adenfelt and Lagerström (2006) the behaviors surfacing in the organizational rejuvenation process cover utilizing, revitalizing, and developing existing and novel knowledge, which then constitutes the foundation for potentially increasing competitive advantage. According to Chen et al. (2011), especially autonomy, risk-taking an innovativeness' impact organizational rejuvenation. Adenfelt and Lagerström (2006) further argue that organizational rejuvenation may facilitate processes and structures that support new product creation, process improvements, and accessing new market areas, whereas Castriotta et al. (2021) consider new product introduction and entering new markets with existing products demonstrations of organizational rejuvenation, actions often tied with sustained regeneration. Organizational rejuvenation may thus be considered having potential impact toward the other dimensions of corporate entrepreneurship. Because of this complexity, organizational rejuvenation can be considered especially difficult to manage. The processes related to the dimension require exploitation outside of core competencies, yet existing knowledge plays a crucial role in managing enterprises and facilitating organizational rejuvenation (Adenfelt & Lagerström, 2006). According to Adenfelt and Lagerström (2006), subsidiaries may have a reinforcing impact toward how large corporations use and expand their resources, which is why subsidiaries may have a unique impact to organizational rejuvenation.

Change management is further mentioned as a crucial part of organizational rejuvenation. Adenfelt and Lagerström (2006) identify five dimensions of organizational change that play a crucial role in organizational rejuvenation: the relationship between intended

and unplanned, emergent change; size and scope of change; level and habit in which the change surfaces within an organization; testing of change effectiveness prior to implementation; and the elements that change within an organization.

2.1.3 Management of corporate entrepreneurship

Despite corporate entrepreneurship's evident importance as a strategic enabler, the understanding of implementation of corporate innovation and intrapreneurial activity within corporate context remains obscure in literature (Kuratko et al., 2015). This perspective of CE management is crucial for understanding opportunities for development and more effective application of CE. According to Azis and Amir (2020), five key factors impact corporate entrepreneurship effectivity in organizations: organizational structure, human resources management, top management support, rewards, and facilitation of risk taking. Urban and Wood (2017) found the key rationale in creating an environment supportive of corporate entrepreneurship include suitable reward systems, goals, organizational values that support and promote entrepreneurship, and management support.

Research on the corporate entrepreneurship construct highlight the role of managers as facilitators and generators of corporate entrepreneurship (Burgelman, 1983; Kuratko & Audretsch, 2013 ; Belousova & Gailly, 2013 ; Urban & Wood, 2017 ; Arun et al., 2020; Klofsten et al., 2021), especially in the context of organizational rejuvenation (Castrionta et al., 2021). According to Teece (2016) managers play a pivotal role in organizations' development and transformational efforts and building capabilities; entrepreneurial management is required to reach sustainable financial success (Teece, 2012). According to Teece (2012), this entrepreneurial management entails identifying and harnessing challenges and opportunities, instead of optimizing existing processes and standardized practices. Reinforcing Teece's statement, Klofsten et al. (2021) claim intrapreneurial managers play a crucial role in efficient resource management in turbulent environments and facilitating firm performance and innovation, whereas Belousova & Gailly (2013)

highlight the joint role of managers in facilitating entrepreneurship processes, demonstrating the co-creation habitual to CE.

Studies have identified that seniority and management level additionally impact the role of management in supporting corporate entrepreneurship within an organization. Burgelman (1983) highlights the role top management plays above all else – entrepreneurial initiatives should be aligned with top management’s willingness toward supporting such activity. Top management’s vision of innovativeness should be at the core of entrepreneurial activity, however the individuals’ and smaller organizational entities input is crucial for realization of this entrepreneurship (Blanka, 2019). According to Kuratko and Audretsch (2013), senior managers further communicate the strategic vision to employees and assure organizational environment that supports entrepreneurship and participate to developing processes for CE. Middle management plays a critical role in facilitating this environment suitable for entrepreneurial activity within an organization through providing everyday support for entrepreneurial individuals, their actions and endeavors (Burgelman, 1983; Arun et al., 2020). According to Blanca (2019) they are the key motivators, promoting the employees to go across organizational boundaries, demonstrate opportunities, support the entrepreneurial individuals and raise them as role models.

Dess et al. (2003) also highlight the importance of managerial roles – according to the authors, role conflict has a negative impact toward successful entrepreneurial management, as this role conflict disrupts the necessary information exchange for CE. Therefore, managers’ pursuit toward corporate entrepreneurship must be aligned across the organization and different managerial levels to avoid role conflict. Honig and Samuelsson (2021) found that entrepreneurial individuals in firms are more likely to practice innovative strategies if they were built from the basis of planning activities and systematic analysis, and therefore alignment to business goals is crucial in practicing CE.

According to Burgelman (1983), top management should not encourage CE with special emphasis due to the phenomenon's spontaneous nature, yet it should not be suppressed either. Top management should provide enough freedom for intrapreneurial individuals, teams and larger entities to drive impactful corporate entrepreneurship (Azis & Amir, 2020) despite their need to align the entrepreneurial efforts with organizational goals. Effective corporate entrepreneurship agenda requires qualities such as flexibility and tolerance for ambiguity to be reflected in the top management's actions (Burgelman, 1983). In practice, there are various issues that the management team must overcome to support and embrace CE.

On the other hand, Klofsten et al. (2021) highlight individual employees' position in utilizing knowledge assets to increase competitiveness by innovating. Attaining competitive advantage and success through corporate entrepreneurship always stems from the individuals and people acting within an organization (Corbett et al. 2013). Essentially, employees' potential - their knowledge, skills, and commitment toward entrepreneurial activity - is the key facilitator for sustainably entrepreneurial organizations, however this entrepreneurial setting should be carried through the organization by supporting entrepreneurial action (Urban & Wood, 2017; Arun et al., 2020).

Entrepreneurial individuals within an organization, intrapreneurs, increase firm competitiveness and innovativeness through their own innovational behaviors and sharing, initiating business opportunities and taking risk (Huang et al. 2021). Therefore, CE can even be considered to be "innovation driven by employees' spontaneous behaviors" (Huang et al. 2021). This individuals' and small groups' entrepreneurial behavior within an organization can be reinforcing toward corporate entrepreneurship, and such behavior of business units, for example, creates the basis for organizational rejuvenation (Adenfelt & Lagerström, 2006). Learning and behavior are moreover common research themes in the field of organizational rejuvenation (Castrionta et al., 2021).

Entrepreneurial projects are often high-risk and more likely to lead to failure, which has implications for individuals participating to a particular project and the organization as a whole (Shepherd et al., 2013). According to Azis and Amir (2020) all employees are not able to act as intrapreneurs, and only some individuals host the needed skills and capabilities and can carry, drive, and support entrepreneurial activities within an organization. Therefore, entrepreneurial activities and tasks cannot be assigned to anyone, which may cause challenges in managing corporate entrepreneurship (Azis & Amir, 2020). Lack of human resources expertise in the area targeted for development can further form a blocker to CE, however this gap can be fixed by appropriate training (Azis & Amir, 2020). Additionally, Azis and Amir (2020) claim HRM practices related to recruitment, development and compensation should be rethought when applying corporate entrepreneurship – these practices should promote and support the characteristics and behavior, such as risk-taking, innovation and failures, required for corporate entrepreneurship.

Reward systems for employees should reinforce the corporate entrepreneurship agenda. The risks related to CE are usually sizeable and can cause negative feelings and experience of failure (Shepherd et al., 2013; Azis & Amir, 2020). Employees leading and driving the CE agenda should be rewarded in a manner that supports the means of corporate entrepreneurship rather than utilizing more traditional reward systems that overlook the value gained through failures, for example (Azis & Amir, 2020). Leaders should accept failures and even consider them as opportunities, nurturing the intrapreneurs' experience (Azis and Amir, 2020).

Organizations' environments vary in entrepreneurial emphasis and intensity (Antoncic & Hisrich, 2001), and are impacted and shaped by both internal and external factors (Chen et al., 2011; Molina & Callahan, 2009). Honig and Samuelsson (2021) highlight culture as an important facilitator for entrepreneurship in existing organizations, and the activities that are taken to support innovativeness in an organization. Iranmanesh et al. (2021) note that defining organizational culture is difficult, describing it as a state where shared values and beliefs aid the employees to work in a manner that is beneficial for the

company. Entrepreneurial behaviors should be managed through attributes representing culture and organizational value (Chen et al., 2011), as culture is a very unique asset of an organization, and therefore very difficult to imitate (Iranmanesh et al., 2021). Large, established organizations have a greater set of resources to support innovation when comparing to startups, however they must build and manage their culture to promote such activities (Honig & Samuelsson, 2021).

Similarly, organizational structure is an important factor in managing corporate entrepreneurship – the decision-making process should be flexible, and the hierarchy level should be low to support these entrepreneurial pursuits. As stated previously, the entrepreneurial mindset should be deeply embedded in the culture of the firm, enabling all employees this environment suitable for CE. The responsibility of corporate entrepreneurship should be shared by various employees whilst still ensuring performance through selected intrapreneurial individuals (Azis & Amir, 2020). Molina & Callahan (2009) propose that the context for intrapreneurship and individual learning is shaped by the external environment, and the organizational learning emerging from this leads to organizational performance. Therefore, organizations must use both exploitative and explorative manners to gain the skills and abilities required for successful CE.

2.2 Capabilities in corporate entrepreneurship

Antoncic & Hisrich (2001) recognize capabilities as “coherent combinations of resources and activities across value chains of organizational businesses”, combinations of both tangible and intangible assets that support value chains. According to them, capabilities can be viewed as building blocks for a strategy that strengthens the value chain to produce competitive advantage. Teece (2016) states capabilities may be related to individuals, processes, values, and culture, and they consist of combinations of individual knowledge and ability, collective learning of employees and resources specific to a firm (Teece, 2012), and therefore represent various organizational levels. These capabilities among individuals, teams, and larger entities up to the entire organization lead to activity supporting corporate entrepreneurship. Teece (2012) further claims capabilities should be deeply embedded to an organization, as that is how they can be best utilized continuously – the dispersion of capacity among only few individuals or organizational factors causes vulnerability. The size and age of an organization diminish this dependency on individuals, and large, long-standing organizations are less reliant on individual capabilities than small firms (Teece, 2012).

The prospect of correlation between capabilities and corporate entrepreneurship was noted already in early CE articles. Burgelman (1983) suspected that organizational and individual capabilities could explain why some individuals are more likely to demonstrate entrepreneurial activity. He further claimed that this entrepreneurial activity may lead to enhanced ability to maintain firm level capabilities that are necessary for facilitating firm development and finding new business opportunities, yet this entrepreneurial activity is highly dependent on the individual’s capability to use and develop innovative and entrepreneurial opportunities – a finding later confirmed by numerous authors (Huang et al., 2021). Huang et al. (2021) further note that corporate entrepreneurship or intrapreneurship itself can be viewed as a dynamic capability specific to a firm, whereas Teece (2016) claims the general areas measured in research about corporate

entrepreneurship include innovation, venturing and strategic renewal, that are all in fact indicators of abundant dynamic capabilities.

Klofsten et al. (2021) define corporate entrepreneurship related capabilities as “the organization’s ability to react quickly and innovatively to internal and environmental changes in order to adapt to and shape new environments”, which critically impacts firm success and survival. They claim that firms must engage in combining external assets with internal capabilities to gain success, which, in alignment with Teece’s (2012) arguments, requires teams and organizations to implement entrepreneurial activity across organizational levels. Antoncic and Hisrich (2003), on the other hand, consider capabilities and corporate entrepreneurship as relatively similar concepts in part, claiming that corporate entrepreneurship can be seen as “a manifestation of organizational innovative capabilities”. Competencies and further capabilities are crucial for maintaining and managing corporate entrepreneurship effectively – according to Skarneas et al. (2016), the entrepreneurial resources of an existing firm can only be successfully harnessed if capabilities for facilitating this are developed. Azis and Amir (2020) furthermore found business development is linked to the core competencies of the company, and therefore these competencies are exceptionally important in creating competitive advantage.

Corporate entrepreneurship requires a variety of capabilities, and both internal and external factors impact this capability creation process. Yiu and Lau (2008) accentuate corporate entrepreneurship’s role in transformation of nonmarket capital, gained from networks to organizational innovation and other firm and industry specific practices. Klofsten et al. (2021) concur that to be able to support and facilitate corporate entrepreneurship, network management, system skills and management abilities are essential from the perspective of exploiting innovative opportunities. The organizational capabilities obtained through innovation are additionally crucial for gaining firm performance (Yiu & Lau, 2008). According to Yiu and Lau (2008), corporate entrepreneurship, identified as facilitator of internal organizational transformation and resource allocation, controls firm ability to realize benefits from network resource capital. Antoncic and Hisrich

(2003), however, emphasize that intrapreneurship is about nascent activity rather than strategic tactics or achieving coherence, highlighting that organizational entrepreneurship is about emergent behaviors and actions.

The research and development related to managing corporate entrepreneurship capabilities and competencies is supported by the dynamic capabilities framework (Klofsten et al., 2021), which has risen as an interest area of the research scheme. The interest in intrapreneurial or corporate entrepreneurship capabilities in general has increased during the recent decades, and a growing number of articles emerge yearly (Klofsten et al., 2021).

2.2.1 Ordinary and dynamic capabilities

Two different groups of capabilities are widely distinguished in literature – the ordinary or substantive capabilities, and dynamic capabilities (Teece, 2016). Ordinary capabilities ensure a firm's daily functions and operational excellence, whereas dynamic capabilities support firm development and resource deployment that enable it to survive in the rapidly transforming business environment of today (Teece, 2012; 2016), and are therefore significant from the perspective of corporate entrepreneurship and especially for organizational rejuvenation. According to Teece (2014), ordinary capabilities that enable firms' everyday business can be clustered to operational, administrative and governance related capabilities, capabilities that do not fundamentally promote firm growth. These ordinary capabilities are easily imitable, often in general knowledge of actors in the market, and can even be outsourced to external independent providers – therefore their impact to competitive advantage cannot be considered very critical (Teece, 2014).

Dynamic capabilities, on the other hand, represent the unique, difficult-to-imitate assets of a firm. Dynamic capabilities differ from ordinary capabilities as signature and firm-specific practices (Teece, 2014). Zahra et al. (2006) define dynamic capabilities as ability to change or reconfigure ordinary capabilities, such as routines and processes related to

business activities, in methods supported and envisioned by lead decisionmakers. Similar to Teece's (2012, 2016) arguments, Zahra et al. (2006) claim that dynamic capabilities may be considered most valuable in situations where the external environment is changing and dynamic, however note that this is not a defining characteristic of dynamic capabilities.

According to Teece (2012) firms can gain competitive advantage by applying higher-level dynamic capabilities on top of ordinary capabilities, and therefore dynamic capabilities have a significant impact to success in the markets. Dynamic capabilities impact the speed and degree of resource allocation within a firm, and control how well these resources can be aligned with the needs of the business environment to support sustainable financial results (Teece, 2012). Thus, dynamic capabilities support firm evolution and growth in markets (Woldesenbet et al., 2012). Capabilities are also interrelated with strategy, and firms with weak dynamic capabilities require specific strategic actions to be put in place for strengthening these capabilities (Teece, 2014). Dynamic capabilities are associated with knowledge and the abilities of small groups of executives or individuals, instead of organizational routines, yet firms must foster capabilities that support their collaboration with other firms by enabling alignment of assets between the actors (Teece, 2012). Therefore, capabilities related resource allocation in a firm's network is a foundational part of building dynamic capabilities (Woldesenbet et al., 2012).

According to Zahra et al. (2006) dynamic capabilities are built through a process starting from entrepreneurial activities targeted toward identifying and deploying opportunities (figure 1), demonstrating the complex relationship between capabilities and entrepreneurial activity. They suggest that this sensing and seizing sparks the selection of key resources, skills, and learning processes which result in ordinary capability formation and collection of organizational knowledge, which together lead to development and creation of relevant dynamic capabilities.

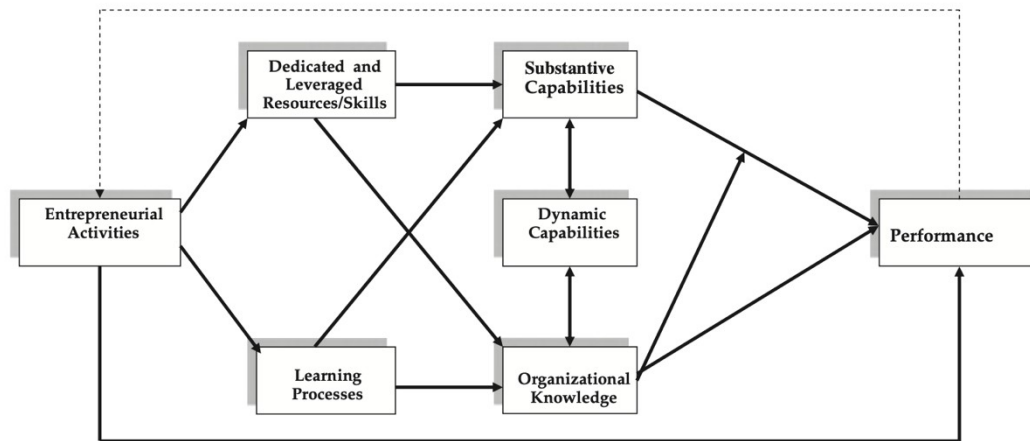


Figure 1. A stylized model of capability formation and performance

Figure 1. A stylized model of capability formation and performance (Zahra et al., 2006)

Dynamic capabilities framework can be conceptualized to include different modes or clusters, and authors have proposed various classifications of the topic (Dixon et al., 2014). According to Teece (2012, 2014) and Zahra et al.'s (2006) model, dynamic capabilities are usually considered to be distributed to three clusters of internal activities – sensing, seizing, and transforming. All the activities related to these capabilities should be managed and performed proficiently (Teece, 2012), however they may occur in varying strengths (Zahra et al., 2006). Sensing activities are related to evaluating and identifying opportunities, whereas seizing refers to utilization and allocation of resources to support value creation from identifying and addressing opportunities, and transforming activities assure firm's renewal and continuous development (Teece, 2012). According to Ahsan & Fernhaber (2019) the sensing and seizing activities unavoidably lead to organizational transformation, which boosts knowledge and dynamic capabilities development. The actions related to such assessment of opportunities and deployment of resources connected to this selection and prioritization, and further supporting and driving changes to resource allocation cannot be entirely routinized and are often unique, which is why enterprise-level dynamic capabilities are more complex than mere accumulation and management of routines (Teece, 2012). In order to sustain these dynamic capabilities, top management must host entrepreneurship and leadership skills for supporting

the different clusters of dynamic capabilities – essentially, achieving “semi-continuous asset orchestration and renewal” that includes the redesign of routines – is arguably the most important entrepreneurial management function (Teece, 2012).

Dixon et al. (2014) further identify two key types of dynamic capabilities: innovation and adaptation capabilities. Innovation capabilities are formed through exploration and path creation, whereas adaptation capabilities consist of exploitation and deployment, and these types of capabilities form a virtuous lifecycle for dynamic capabilities (Dixon et al., 2014). The authors claim that in order to succeed, organizations must be able to achieve ambidexterity in reaching both adaptation and innovation simultaneously, the balance between separate capabilities and activities targeting them. Authors further identify absorptive capability as one of key components of dynamic capabilities (Andreeva & Ritala, 2016).

Whereas Teece (2012) identified the three dimensions of dynamic capabilities and Dixon et al. (2014) separated different types of dynamic capabilities, Danneels, (2011) recognizes five elements or modes of dynamic capabilities related to altering resources of an existing firm – a key part of the organizational rejuvenation process – leveraging (exploiting existing resources to achieve renewal), creating (building new resources), accessing (gaining access to external resources), releasing (eliminating existing resources) and resource cognition (decision makers' understanding and cognitions of their firm resources impacting the use of dynamic capabilities). Danneels' (2011) take showcases the importance of effective resource management for achieving organizational rejuvenation and successful deployment of dynamic capabilities in a corporate framework.

Much like corporate entrepreneurship research, the dynamic capabilities framework has faced criticism in literature – despite the popularity of the topic, it is lacking clear definition and shared acumen. As demonstrated above, dynamic capabilities' definitions and classifications vary vastly in literature. Various authors demonstrate dynamic capabilities as ability to respond to changes through building and altering resources and

competences, whereas others describe them as strategic processes (Giniuniene & Jurksiene, 2015). This research follows Teece and Zahra's conceptualizations, considering dynamic capabilities as higher-level, unique firm-level practices and abilities, that alter the existing resource base and ordinary capabilities.

2.2.2 Capabilities in the context of organizational rejuvenation

Organizational rejuvenation is a corporate entrepreneurship dimension with the strongest relationship to dynamic capabilities (Castriotta et al., 2021) in general, as altering capabilities is necessary to establish internally focused, innovative directions, change processes, and structures within an organization. Teece (2014) states "dynamic capabilities are about doing the right things, at the right time, based on unique processes, organizational culture, and a prescient assessment of the business environment and technological opportunities". Especially large organizations need to continuously renew their business and organization (Honig & Samuelsson, 2021). Dynamic capabilities are the ability reconfigure the organization and answer to the requirements of the equally dynamic environment (Dixon et al., 2014) and therefore their connection with organizational rejuvenation is evident. Organizational rejuvenation is concerned with how to alter and implement capabilities, processes, and structures across the organization – considerably, how to improve and develop the ordinary capabilities of an organization – and therefore dynamic capabilities are fundamental as facilitators of this process. Teece (2016) states that dynamic capabilities result in evolutionary fitness, which is a combination of ongoing learning, capability enhancement and alignment – key things highlighted in organizational rejuvenation research. Yet, organizational capabilities are additionally required to effectively promote and manage this dynamic capability creation process and organizational rejuvenation itself. As discussed above, Zahra et al. (2006) found that entrepreneurship, learning, knowledge, resources, and skills create the basis for dynamic capabilities development. On the other hand, it could be argued that these factors are also a causation of implementing dynamic capabilities, and organizational rejuvenation or corporate entrepreneurship itself can be considered a capability an organization hosts.

As organizational rejuvenation is about developing the existing capabilities, processes, and structures, it could be reasoned that these areas that form the basis of capability development proposed by Zahra et al. (2006) – learning, knowledge, resources, and entrepreneurship – are highly relevant in formulating the key capability base required for facilitating OR. (Corporate) entrepreneurship characteristics that surface in and impact organizational rejuvenation are further claimed to be innovativeness, risk-taking and autonomy (Chen et al., 2011). According to Dess et al. (2003) corporate entrepreneurship has a major role in promoting and fostering organizational learning, which in turn facilitates knowledge to develop capabilities, and is therefore crucial for strategic renewal and organizational agility. Huang et al. (2021) state corporate entrepreneurship itself and sustainability (an organization's ability to continuously internally generate organizational renewal) can even be considered dynamic capability. Achieving this continuous process of sensing and seizing opportunities, and constantly transforming the organization to adapt to any external or internal focused changes is an essential part of maintaining a competitive position in the markets, and consequently organizational change related capability is highly relevant for organizational rejuvenation.

Dess et al. (2003) claim organizational rejuvenation “requires deploying the firm's existing competence while modifying the organizational processes that enable such deployment. Key areas of capabilities for facilitating organizational rejuvenation are therefore related to innovativeness, organizational learning and knowledge management, and organizational change (Adenfelt & Lagerström, 2006; Castriotta et al., 2021; Kuratko et al., 2015; Zahra et al., 2006), which are required for strategy improvement, effective leveraging of resources and altering the organization's processes and structures (Zahra et al., 2006). Additionally, risk-taking and autonomy are required to support these practices.

Innovation capability

The first central capability identified in literature is innovation capability. Innovation capabilities are necessary for all forms of CE, and further one of the most central capabilities an organization requires to succeed, as presented in the previous section. Dixon et al. (2014) define innovation dynamic capabilities as “amalgamation of routines that enable creation of unique capabilities”. The authors state these capabilities require managerial attention to nurture, however they must also recognize the potential risks and that some projects may fail, which requires management to act in a way supportive of these potential failures.

The ability to recognize, assess and exploit external information in the innovation process is a key part of the innovation capability (Caloghirou et al., 2004), and demonstrates the entrepreneurial activity surfacing within a firm (Zahra et al., 2006) . Caloghirou et al. (2004) propose that this capability is built through accumulation of knowledge, technological development and founding and generating systems that exemplify knowledge flows within the organization, highlighting that collaboration and external input can promote innovation on firm’s internal structures and processes. Iranmanesh et al. (2021) further highlight that there are different types of innovation to be considered, typically grouped by focus to process innovation, product innovation, marketing innovation and organizational innovation. Innovation in the context of organizational rejuvenation is perhaps most related to organizational innovation, transformation within an organization (Iranmanesh et al., 2021), however examination of the OR dimension of corporate entrepreneurship requires adopting a broader view on innovation due to the extensiveness of the dimension.

Learning capability

Second, organizational learning and knowledge management have been raised as important capabilities in literature. Organizational learning as a capability reflects an organization's ability to utilize processes, methods and managerial habits that promote learning, and is built through input on supporting learning processes that allow learning for the organization (Ferreira et al., 2021). Therefore, building a culture that supports continuous learning leads to organizational learning processes that respond to the learning needs of the organization in a dynamic environment (Molina & Callahan, 2009). Building organizational learning and knowledge is crucial for capability development in general (Molina & Callahan, 2009; Teece, 2012; Zahra et al., 2006). Learning and knowledge are further intertwined with entrepreneurial individuals and their ability to challenge existing processes and systems, as well as bringing new property and procedures to the organization (Molina & Callahan, 2009). Learning and knowledge improve a firm's ability to sense and seize opportunities, and select which ones to act on (Ahsan & Fernhaber, 2019), as the organization is able to assess where development is required and what areas of business it should focus on. Therefore, it is a key factor for creating rejuvenation practices in an organization.

Organizational learning can further be considered as a method for embedding dynamic capabilities to internal processes of an organization (Giniuniene & Jurksiene, 2015). Giniuniene & Jurksiene (2015) claim that both innovation and organizational learning mediate the relationship between dynamic capabilities and organizational performance. Turner and Pennington (2015) reach the same conclusion, stating the key process variables in CE are in fact knowledge sharing and innovation that constitute organizational learning. Makhloufi et al. (2021) found that organizational learning capability further boosts innovation capability, and intellectual capital additionally promotes innovation (Ali et al., 2021). It may thus be concluded that learning capability is vital for achieving

organizational rejuvenation and hosts special significance as it has an exceptional impact on other capabilities and their development.

Organizational change capability

The third, widely recognized capability is about organizational change. According to Andreeva and Ritala (2016) capability to change is necessary for gaining sustainable competitive advantage, and envision organizational change as a dynamic capability entails both 1) the content of change and 2) the change capacity. They further support the notion that implementation of such capabilities always requires the building blocks of the capability and the order of implementation, two sides of the same coin. Andreeva and Ritala (2016) suggest that organizational change as a dynamic capability reflects a capability for an organization to see new opportunities, identify a requisite for internal changes and facilitate effective implementation of developments and changes related to these two key components, reflecting the relationship between the change capability and learning capability, for example. They, however, note that some authors view organizational change as highly emergent rather than a structured, distinct process. Therefore it is noteworthy to recognize that despite the above defined characteristics of organizational change as a dynamic capability, this view of organizational change as emergent is highly relevant, as it entails achieving a continuous and proactive change process, which is what dynamic capabilities are about. Change capability is also very important for launching rejuvenation, as it is impossible to transform without making any changes in an organization and seize identified opportunities.

The above three capabilities host most ground in the existing CE literature, however it is sensible to expect that more capabilities are required for organizational rejuvenation. Dynamic capabilities are unique in nature, which further supports this conclusion. As corporate entrepreneurship is often driven by entrepreneurial individuals within an organization, it crucial to note the impact of individual capabilities as part of facilitators of organizational rejuvenation. According to Huang et al. (2021) various scholars claim

capability-related characteristics such as personal knowledge and skills control entrepreneurial behaviors of individuals. Entrepreneurial individuals must further have the space to demonstrate their innovational capability and entrepreneurial skills through having enough autonomy and authorized risk-taking in their organization. As shown in the previous chapters, managerial capabilities and assets are crucial for organizational rejuvenation and CE in general, for one part as enablers for this autonomy and risk-taking. Teece (2014) found that dynamic capabilities “reside, at least in part, in the managerial, entrepreneurial, and leadership skills of the firm’s top management, and in management’s ability to design, develop, implement, and modify these routines”. This aspect of capability management and development is discussed in the next section.

2.3 Maintaining and developing capabilities for organizational rejuvenation

Dynamic capabilities enable firm growth and competitive advantage, but they are highly tacit and difficult to transfer and develop due to the unique resource base, relationships, and history behind them (Teece, 2014). Zahra et al. (2006) and Skarameas et al. (2016) note that the management and development of these capabilities are an obligatory requirement for successful acquisition of benefits from corporate entrepreneurship, however this remains as one of the key area of gaps in corporate entrepreneurship literature (Azis & Amir, 2020; Castriotta et al., 2021; Corbett et al., 2013; Honig & Samuelsson, 2021; Kuratko et al., 2015). The relationship between organizational rejuvenation, or even corporate entrepreneurship in general, and dynamic capabilities is complex, which makes this a difficult question.

Corporate entrepreneurship is an emergent practice, and therefore organizations must be able to reconfigure their capability base continuously (Teece, 2014), creating a sustainable renewal practice. Dynamic capabilities enable the organization to achieve this semi-continuous renewal process within an organization (Teece, 2012), which is crucial

for attaining internally focused innovation. In the previous chapter, key capabilities that should be developed and maintained to support organizational rejuvenation were proposed to be innovation capability, learning capability, and organizational change capability, and supporting capabilities related to demonstration of a level of autonomy and risk-taking in an organization (Chen et al., 2011). Organizational rejuvenation efforts are trusted to be emergent and surface from the entrepreneurial individuals', teams', and larger entities actions, but conversely, they should be aligned with corporate goals and desires. According to Teece (2014), this ability to find and exploit the middle ground between routinized practices and ad-hoc is also a crucial dynamic capability. This capability is potentially imperative for organizational rejuvenation, as innovational and entrepreneurial pursuits are often nascent, yet require some orchestration and alignment with organizational ambitions.

Based on the theoretical findings presented in the previous chapters, management's role in supporting capability development and preservation for organizational rejuvenation, as well as other forms of CE, is fundamental. Entrepreneurial management entails identifying and harnessing challenges and opportunities, instead of optimizing existing processes and standardized practices (Teece, 2012). According to Dess et al. (2003) top management is responsible of directing and recognizing corporate entrepreneurship and opportunities of it, whereas middle management's role is to implement, synthesize and facilitate, and operating management is concerned with conforming and adjusting.

Organizational rejuvenation represents that organizations can become more entrepreneurial through process and structure improvements and is therefore especially related with support activities such as procurement and HR (Dess et al., 2003). Dess et al. (2003) claim that effective management of entrepreneurial initiatives requires management to further have a shared logic of what areas of business require change and what concrete changes are required – in other word, what domain of CE should be applied. This may result in conflict related to priorities on what capabilities to construct and what resources to apply for this purpose, and therefore coordination, selection and combination

should be considered as key building blocks of dynamic capabilities (Zahra et al., 2006). Ferreira et al. (2021) claim that managers should also intentionally build for both exploration and exploitation and ensure both activities are surfacing and being deployed simultaneously. Ahsan & Fernhaber (2019) note that the managers should make intelligent decisions on resource allocation to avoid overcommitting to explorative or exploitative activities, and position correctly to identify and pursue opportunities from both ends of the continuum.

Dess et al. (2003) claim both bureaucratic and clan controls are required for organizational rejuvenation. Huang et al. (2021) concur that managerial coaching is beneficial for corporate entrepreneurship and aids individuals in managing intrapreneurial projects. Additionally, Huang et al. (2021) highlight the role of resource availability, managerial style and innovative culture as organizational enablers for corporate entrepreneurship. Managers who want to engage and increase corporate entrepreneurship activity should focus on creating an organizational environment and culture that tolerates risks and supports their proposals and provides the resources and support needed (Alpkan et al., 2010). Therefore, culture is a key element of corporate entrepreneurship. The environment in which the entrepreneurship surfaces must enable such activity (Blanka, 2019). In addition to firm culture, employees' cultural background and experience base impact their risk-taking, learning and innovation behaviors and the way these are reflected in their actions and way of working (Honig & Samuelsson, 2021).

Arslanagic-Kalajdzic et al. (2019) found that uncertainty avoidance suppresses intrapreneurial intentions, however, note that this is not the case whenever the innovative individuals are very creative or self-efficient. Individual characteristics impact CE, and management of these individuals is therefore crucial. Managers must be able to motivate their subordinates, and focus on this creativeness and self-efficiency (Arslanagic-Kalajdzic et al., 2019). Blanka (2019) highlights coaching, providing autonomy and resources as key factors that realize corporate entrepreneurship. Correspondingly, these findings signal that individuals must host skills to manage themselves and their own

work effectively to act entrepreneurially – the management of capabilities for organizational rejuvenation is not only managers' responsibility, but lies on the entrepreneurial actors within a company.

As explained in the above sections, organizational rejuvenation and corporate entrepreneurship occur on different organizational levels and in different intervals, however establishing entrepreneurship in an organizational framework requires the practices supporting these initiatives to be embedded in the entire organization. In large international organizations, this may be seen as a challenge, as the knowledge and capabilities may vary between each of the subsidiaries and headquarters (Ahsan & Fernhaber, 2019). This forms an exceptional position for such multi-national organizations, where these different entities within an organization host their own unique capabilities, however can still utilize the resources and capabilities of the entity and the other subsidiaries (Ahsan & Fernhaber, 2019). Similarly, the other subsidiaries and entities in the corporation may benefit from innovativeness and entrepreneurship of a single subsidiary, and the organizational structure and setting should thus be able to harness these benefits well and efficiently. Structural elements are therefore important for achieving and maintaining organizational rejuvenation.

3 Methodology

This chapter explains and justifies the methodological choices that were made to conduct this research. First, the research method and design are discussed, after which the case selection, data collection, and analysis method are covered. Validity and reliability of the study are furthermore discussed.

3.1 Research method

This thesis aims to explore the capabilities related to organizational rejuvenation dimension of corporate entrepreneurship. As the dimensions are not universally implicit in existing literature, the research stream is further deficient, and the capabilities explored in this thesis are connected and potentially share causal relationships on various levels, the research phenomenon is highly complex. Existing literature on the phenomenon is scattered across a broad ground of research, touching various research streams in management literature and behavioral studies. Further, the corporate entrepreneurship phenomenon, especially in the context of organizational rejuvenation and dynamic capabilities, is unique to the specific organization it facades in.

Based on evaluation of the above characteristics of the research phenomenon, a qualitative research method was selected for this thesis. Qualitative research is a suitable approach for studying complex research topics (Beverland & Lindgreen, 2010) such as organizational experience. Qualitative research further provides insight about meaning to the people within, and social theory about the experience (Gehman et al., 2018). Qualitative research allows for flexibility and discovering of unique experiences of the study population rather than focusing on a single, universal truth to be identified, and accounts subjectivity and values as incorporated within the study (Auerbach & Silverstein, 2003 p. 31-32).

A case study approach was selected for this research. According to Gehman et al. (2018), case study approach fits studies where the theory is unclear, elusive or does not yet exist, and consequently case studies are a good fit for research aiming at understanding a phenomenon better (Ghauri & Gronhaug, 2002) and provide details about how the phenomenon occurs in real life and in existing situations (Eisenhardt & Graebner, 2007; Yin, 2017 p.14). Therefore, this approach is expedient for examining the to-date dispersed corporate entrepreneurship phenomenon. This thesis further aims to unveil practical insight about how corporate entrepreneurship is managed in organizations, and therefore a case study design creates basis for this type of analysis. Case studies additionally offer an opportunity for testing theory in practice, or building novel theory (Eisenhardt & Graebner, 2007). Siggelkow (2007) states arguments based on case study data can better portray causalities between the theory, research, and different constructs. As explained above, the theoretical framework for corporate entrepreneurship and other surrounding phenomena overlaps various domains in management research, and thus this thesis draws from various existing theoretical propositions to answer the research objectives. Therefore, the choice of employing case study approach is justified for the research.

Further, this study adopts a single-case approach, analyzing a single organization holistically. Single-case studies enable thorough examination in a specific context and can provide comprehensive descriptions of the phenomenon and its existence in question (Eisenhardt & Graebner, 2007). Multi-case studies can provide a better and more generalizable theoretical framework due to the higher amount of evidence supporting research, however they do not reflect the uniqueness of the case organization and its environment in as much detail as a single-case study (Eisenhardt & Graebner, 2007). In this scenario, it is also important to note that applying a single-case method allows for a deeper dive to how the case company exploits their capability base to enable organizational rejuvenation. As corporate entrepreneurship is a phenomenon highly reliant and unique to the organizational framework and environment in which it surfaces, and the emphasis of this thesis is on specific methods and practices for rejuvenating the organization itself, the uniqueness of the case firm and its setup is highly relevant to be captured in the research.

3.2 Case selection

The case organization of this study is a large, multinational technology company. The case company is listed to stock exchange and its worldwide headquarters are in the United States. The case company operates around the world, employs thousands of people, and is a major actor in the various technology sectors it competes in. Corporate entrepreneurship can create a significant edge against competition, especially in overcoming global competition (Adenfelt & Lagerström, 2006), and therefore the chosen case company is a global actor with international competition worldwide. The technology industry embodies the typically fast-pace, dynamic and competitive environment in which corporate entrepreneurship generally surfaces, and therefore this industry was selected for this thesis.

In addition to its appropriate characteristics, the general profile of the case company is fruitful for examining corporate entrepreneurship and organizational rejuvenation. The company specifically highlights continuous innovation as their core value, and actively shares about how the innovation and technological transformation they enable supports both the case company and their customers, representing this as one of the key drivers of the business. The company actively seeks to grow and boost their business through corporate venturing practices, for example investing in startups and buying firms that benefit its business. It also engages in internal entrepreneurship efforts and has started initiatives and programs to support entrepreneurship and innovation within the organization. These efforts include for example competitions, hackathons and internal and external events and rewards promoting employees' entrepreneurial accomplishment, heavily supported by the leadership. Therefore, the company engages in various dimensions of corporate entrepreneurship, representing a unique example of the interplay between the different dimensions of corporate entrepreneurship. The case company considers rejuvenation and organizational renewal as crucial parts of sustaining competitiveness in the market, and it has applied various cyclical practices to renew itself based on market needs, and considers new initiatives regularly to further develop itself.

The research was conducted in the Finland entity of the case company. This further provides a unique perspective to the research, as the subsidiary can build on capabilities and processes provided by the company and build them to fit the local scenery. Additionally, expertise and innovation that are built in local subsidiaries can be harnessed to the use of the organization at a wider level, also outside the specific location that may have initiated these. Ahsan and Fernhaber (2019) identify this special position of subsidiaries, claiming that more amplification on how they embody the corporate entrepreneurship agenda of the company is required in research. They further state that because of this unique organizational setup of multinational enterprises, subsidiaries are ideal for investigating corporate entrepreneurship from the perspective of dynamic capabilities – according to them, each entity of an organization hosts its own knowledge, capabilities, and dynamic capabilities.

3.3 Data collection and analysis method

To ensure the reliability of the research conducted in this thesis, both primary and secondary data sources are used (Yin, 2017 p. 43; Gioia et al., 2013). The primary data source for this thesis are eight (8) semi-structured interviews, and secondary data sources include the websites and public documents of the case firm. Semi-structured interview method was selected as it allows further dives to specific areas and topics arising during the interviews and highlights the interviewee's personal experience of the phenomenon (Gioia et al., 2013).

The interviewees for the research were selected based on a combination of sampling methods, using random selection and snowball sampling based on recommendations of a couple initial interviewees' views (Auerbach et al., 2003, p.25) and theoretical framework unveiled in the initial research for the thesis. Various studies highlight the role of an individual entrepreneurial within an organization, as well as the role of top and middle management in supporting the phenomenon, and therefore the interviewees were selected to represent various levels within the organization. The interviewees further

have experience from different roles within and outside the case organization, and they represent various generations and diverse backgrounds. Three interviewees are women, whereas five are men. The data was collected during the span of two weeks in March 2022, and all interviews were hosted online through Teams due to the remote work guidance effective because of the covid-19 pandemic.

Table 3. Interview records

Interviews	Position	Time in company	Interview length
Interviewee 1	Change Manager	2 ½ years	55:22
Interviewee 2	Operations and Marketing Lead (People Manager)	7 years	45:38
Interviewee 3	Business Operations Lead (People Manager)	8 years	49:45
Interviewee 4	Partner Management Manager (People Manager)	16 years	52:51
Interviewee 5	Partner Management Manager (People Manager)	15 years	37:36
Interviewee 6	Partner Management Manager	2 ½ years	43:10
Interviewee 7	Product Marketing Manager	3 years	46:35
Interviewee 8	Business Group Lead	23 years	41:13

The data analysis process was conducted using Gioia's (2013) methodology. As none to very few articles combining organizational rejuvenation research and the dynamic capabilities framework holistically exist, and the aim of the thesis is to uncover how these capabilities are managed and practices in real-life scenarios, the raw data gained through the interviews plays a pivotal role in constructing the theoretical proposition of this study. However, the theoretical contributions of authors who have previously examined corporate entrepreneurship and dynamic capabilities are crucial, and thus this thesis entails a theory-testing element in evaluating the capabilities and their role for organizational

rejuvenation – yet the single-case study method does not allow for wide scale testing. Gioia et al. (2013) further highlights that rallying the gathered data and relevant literature is important for reflecting the found themes and dimensions against findings in prior research and identifying where the results indicate a new concept.

The process started with an analysis of interview transcriptions to identify first order codes. The first order codes and categories were then evaluated, identifying similarities and differences to label and select the key categories and morphed to theory-driven themes in the second order analysis (Gioia et al., 2013). After the first and second order codes were identified, they were reflected against theory and grouped to aggregate dimensions recognized. The data structure format of this study is presented in figure 2.

After data structure is created, the established dimensions are then emerged to create a theory model presented in chapter 5, representing the themes and concepts recognized in the data structure. The theory model based on the Gioia method should showcase dynamic relationships explaining the phenomenon investigated and pointing the connections between the collected data and surrounding theoretical framework (Gioia et al., 2013).

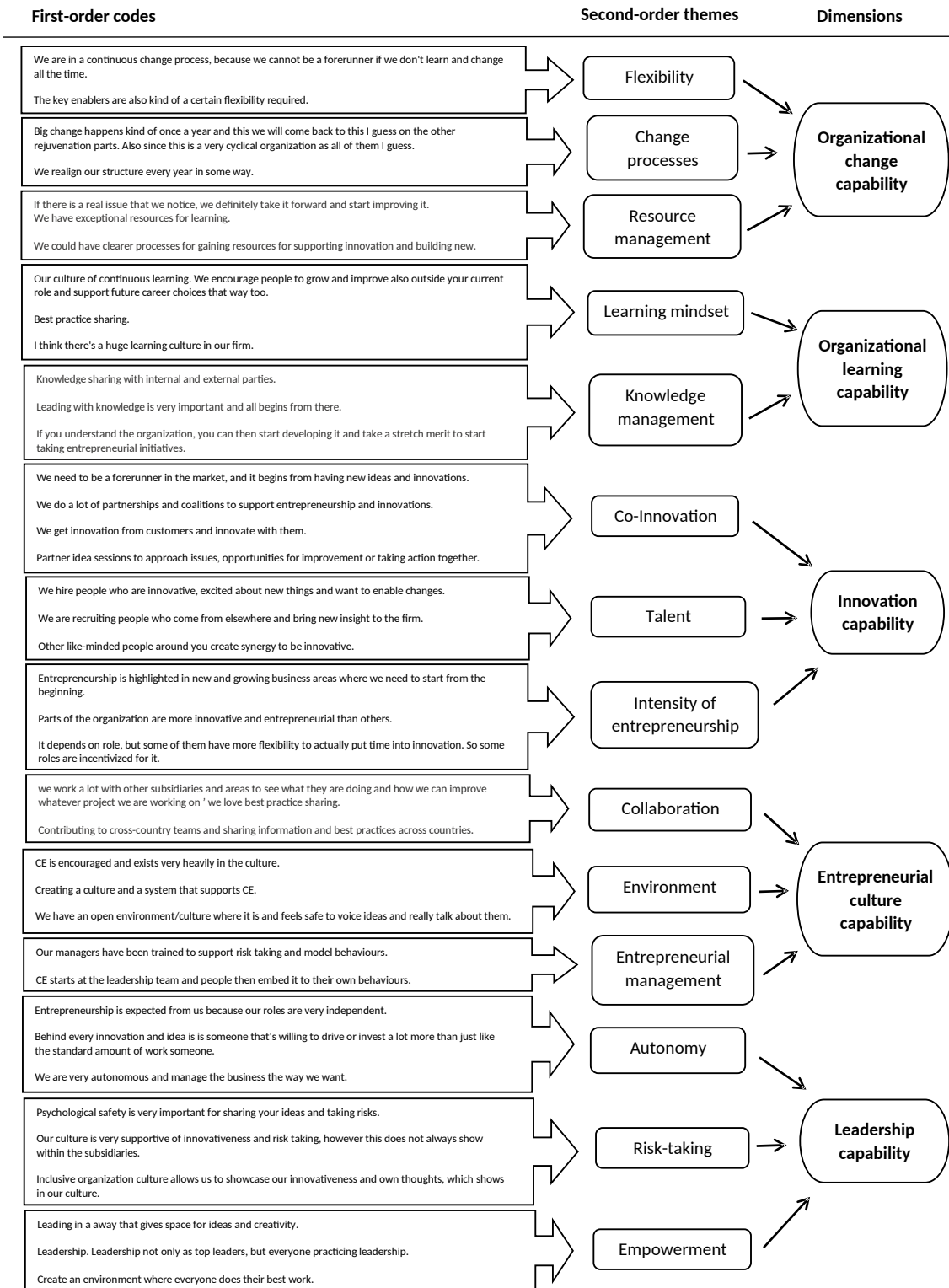


Figure 2. Data structure

3.4 Validity and reliability

Yin (2017, p.42) found the quality of research can be tested based on construct validity, internal validity, external validity, and reliability. Yin (2017 p.42) describes construct validity as “identifying correct operational measures for the concepts being studied”. Construct validity in this thesis was ensured through guaranteeing that all the interviewees shared understanding of the definitions, terminology, and context of the study, which was conducted by sending a brief for the participants prior to the interviews and swiftly covering the brief in the beginning of each interview. All interviews were recorded using a transcription software that records the speech and displays it in text format to ensure consistency and integrity between the interview setting and the final thesis. According to Yin (2017, p.42), internal validity is a relevant element of research quality concerning only explanatory or causal studies, but not applicable to descriptive or exploratory studies. This thesis intends to describe specific aspects of the corporate entrepreneurship phenomenon while examining the less explored organizational rejuvenation dimension – therefore the nature of this study does not match Yin’s definition of studies where internal validity test is required. External validity, on the other hand, represents if and how case study findings can be generalized (Yin, 2017 p. 43). In a single-case study, the generalizability relies on the theoretical background of the research, and therefore this study includes as literature view which the findings are reflected against.

Reliability is the last test for ensuring quality of a study. According to Yin (2017, p. 42) reliability signifies the study practices are replicable – if someone were to perform a similar study using the same research method, the conclusion would correspondingly be the same. The reliability of this study was ensured through a unified protocol for data collection through all the interviews. All interviewees received an identical brief about the topic, interview methods were identical, and recording and transcript were saved using the same software. The collected data was then documented and saved to a separate file, and all following data structure analysis and theory model constructs were saved.

4 Results

In this chapter, the results of the case study are presented and reflected against the theoretical framework.

4.1 Organizational framework for corporate entrepreneurship and organizational rejuvenation

As stated in previous chapters, corporate entrepreneurship is generally understood to describe all entrepreneurial activity surfacing in an existing organization, within the constraints this organizational surrounding creates. An organization's external and internal environment and dynamic capabilities are unique to it (Teece, 2014), and therefore these firm specific characteristics and the organizational framework they facilitate are highly significant for understanding organizational rejuvenation capabilities and practices.

The first section of the interviews covered corporate entrepreneurship and organizational rejuvenation from the perspective of the structure and organizational framework of the case company. The case company considers entrepreneurial attributes such as innovation, risk-taking, and proactiveness (Antoncic & Hisrich, 2001) highly important, and they are present in the cultural assembly of the firm. Innovation and especially is even described as a core value on the firm's website. This entrepreneurship and its dimensions are further seen as core factors of the culture and one of the key reasons the case company is and has been successful for a long time.

Corporate entrepreneurship is encouraged and exists heavily in the culture. It is a heavily influencing factor of our culture and success. (Interviewee 1)

One of the reasons I've stayed within the firm for such a long time is that our company supports entrepreneurship within the organization in many ways, and it begins from our culture. (Interviewee 4).

In alignment with the findings by Molina and Callahan (2009), and Honig and Samuelsson (2021), the impacts the corporate framework has on entrepreneurship are reflected in the study results: the demanding organizational structure, and the rigidity of a large corporation limit the opportunities for entrepreneurship within the organization, as everyday tasks need to be prioritized to reach set targets, and the complexity of the organization impacts the ability to be innovative and start development projects. According to the interviewees, the company structure on the local level is quite low in hierarchy, which would be supportive of entrepreneurship, however there is also not enough local authorization to make the changes, as many of the processes and ways of working in the organization are defined in a higher level.

From a wider perspective, our culture encourages risk-taking, innovativeness, creativity and building on others' ideas, so entrepreneurship, however our hands are quite tied on a local level, and we don't have too much space or time for entrepreneurship. (Interviewee 2).

We are very autonomous, manage the business the way we want, but there's still a lot of centralization happening, which limits us. We are sometimes very stuck on processes, and it is sometimes very hard to move forward because you know you need to go through so many different layers just to be able to change something. (Interviewee 3)

Characteristically for corporate entrepreneurship, the frequency and level of entrepreneurship, described as intensity in the data structure, varies in the case company, depending on the business environment and related desires, and some parts of the organization are considered more entrepreneurial than others. This is a challenge for the case

company, and it is seen that with more emancipation to impact the organizational elements, the benefits of being entrepreneurial could be exploited even more effectively.

It depends on the business landscape. If there's a situation where business is growing and you can reach your targets, there's more room to innovate and be entrepreneurial, because you have the resources to build on. We need more space to invent and be entrepreneurial and do things to improve and match our local needs. (Interviewee 2).

It is highlighted in growing business areas, where you need to think about how we need to work on that specific field and what kind of corporate structure is needed for it. (Interviewee 8).

Further, the need for developing the organization and the way it works – organizational rejuvenation – as an enabler of staying relevant and ahead of the competition in the market is recognized within the case company. The data collected validates the importance of renewal and innovativeness, which are supported by entrepreneurship, in the case company. These results suggest this approach on renewal is constantly reflected with themes of change and the need to update various aspects of how the company functions and operates to remain relevant in the case company. Such activity is even seen as fundamental in the fast-paced technology industry.

If there is no change, we cannot move forward and will be stuck. We need to be able to be on the crest of the wave and be a forerunner in the market, which begins from our own ideas and innovation. (Interviewee 5).

The case company is taking a range of activities, such as different workshops, competitions, and events to produce new ideas and innovate, collecting feedback and building on it to develop the organization and keep the renewal process ongoing, however this ability to drive changes and entrepreneurship is heavily reliant on capabilities, especially dynamic capabilities, of the firm (Huang et al., 2021).

4.2 Dynamic capabilities for fostering organizational rejuvenation

The second section of each interview covered the firm specific dynamic capabilities the case company hosts to enable corporate entrepreneurship practices that support organizational rejuvenation. The results indicate especially change capability and learning capability are key enablers of organizational rejuvenation through corporate entrepreneurship in the case company. Further, management practices and leadership are highlighted as crucial capabilities for creating a culture that is promotive and supportive of entrepreneurship and boosting the general capability creation processes in the organization, without which no corporate entrepreneurship is considered to surface. Thus, the results designate the findings and propositions set in previous studies are valid also in the case of the company in this research, however, unveil additional facets not as prominent in existing studies especially about how the capabilities are developed in the organization.

Change capability

Covin and Miles (1999) found organizational rejuvenation activities generate value to the firm's customers through the internal changes made in the rejuvenation process. The case company considers continuous renewal within the organization as a highly strategic and necessary action to remain relevant in the market, and both deliberate and emergent change are important pieces of the core capabilities of the company. The results further suggest that the case company expects that their employees and the wider organizational infrastructure are flexible and ready to adjust to changes in an agile manner, and it places effort on training the individuals within the organization to support this change capability. Additionally, when changes are made within the company itself, they are aligned with wider strategic targets and goals, and the changes in the organization may often have a broader external impact due to their large customer and partner base who support their own customer base on a variety of industries.

I think having a culture that's ready to get changed all the time or a culture that started early for continuous change is really important. Everyone is prepared for everything to

change at least once a year, so there is organizational readiness to make changes. (Interviewee 7).

We are really good at making changes if some part of the organization is not matching well or doing the job that it is supposed to be doing. We make huge changes to the organization just to make sure that we are serving the customer in the best way possible. So, I think organizational change is super important at our company. We realign our structure every year in some way. (Interviewee 1).

To make customer-centric changes and renew the organization in a way that is beneficial, the company does a lot of testing also on their own employees. This also enables their own internal network and the external network access to the best resources for building their innovativeness and agenda that will further enable rejuvenation.

People are using our own technology and that is also related to a lot of training and learning. (Interviewee 4).

We drive pilots to implement processes and our tools get direct feedback on them from the users and alter accordingly. (Interviewee 3).

Change processes are a standard part of the yearly cycle of the case company, and the interviewees considered incorporating the employees to the planning processes important in order to make meaningful and effective changes. As stated above, flexibility and agility are also core dimensions of the company's ability to implement changes and allow for entrepreneurship that will generate new ideas and development opportunities.

One of the key enablers is also a certain flexibility required. For being a very large firm, we are still agile. (Interviewee 7)

The change processes and capability are also interrelated with another dynamic capability considered essential for internal improvement and entrepreneurship within the company – learning and knowledge. Training and knowledge building is considered crucial for employees to have the necessary expertise for driving meaningful change and development projects.

We have the processes and such, but we are changing very fast. I really think change management is definitely very important to be able to manage all that knowledge and information needed for developing the organization. (Interviewee 6).

Learning capability

Learning is a key value in the case company, and the company has various motions in place to support learning and provide resources and training for their employees. Based on the accumulated interview data, learning and knowledge are imperative for driving impactful and effective changes, and to identify opportunities of improvement within the case organization. The general employee base of the case company hosts a great enthusiasm toward learning, and considers it a core value and enabler, which further contributes to entrepreneurial initiatives and culture building in the organization.

We think that no one here is ready, and we always need to learn more. We need to be willing to learn more, change, and adapt. There's a strong mindset of growth. (interviewee 5)

We do a lot of learning from others - we work with a lot of other subsidiaries and areas to see what they are doing and how we can improve whatever project we are working on. We love best practice sharing. (Interviewee 3)

We have champs for different areas. we are putting the knowledge into smaller pieces, so it has an owner and we have regular touchpoints where we share the newest and

greatest things in everyone's area. We don't have to worry about gathering all the information ourselves and can trust that we can get it nicely. (Interviewee 6).

From the perspective of organizational rejuvenation and individuals engaging to the entrepreneurial process, especially knowledge is emphasized. Knowledge is required for evaluating opportunities and making the right and needed choices from the basis of facts. The results imply that without this imperative knowledge, it is impossible to determine what changes are relevant and why they are needed. To build this base for knowledge, the interviewees connote the company must focus on learning. Therefore, in practice, the case company offers a wide selection of resources and training for its employees and encourages best practice sharing and collaboration across different organizational entities.

It really comes from knowing what it is the project that they are working on or you know the initiative and you can then identify how you can improve it and make it better when you know the gaps. (Interviewee 1).

We need to think big and think about what kind of things we can still do to transform. It all begins from leading with knowledge. When you learn and understand how different things are related to each other and what kind of decisions we can make based on the information that we have, we can then make changes and innovate and be entrepreneurial. If you understand the organization and how it works you can also improve it and take your own role in developing the organization. (Interviewee 5).

Learning in our company is always ongoing and I think it's a requirement for innovation to be able to learn multiple things then you can see some patterns find something to improve. The learning culture and the feedback loops that we have really support our innovativeness. (Interviewee 7).

Innovation capability

Consequently, the case company sees innovativeness as a central dimension of development and entrepreneurship; innovation is needed to create new processes, capabilities, and structures. Aligned with common understanding of innovation being one of the most recognized characteristics of entrepreneurship in literature, the ability to innovate is seen as a required capability in the company. The case company also identifies innovation's role in supporting capability creation in a wider scale, as demonstrated below.

Innovativeness means seeing a bit further away: what will happen next, and with whom and what kind of expertise and capabilities we will need for that. Then we'll be able to develop those capabilities and work on them. (Interviewee 8).

The results also exhibit the case company contemplates its different ambitions and targets individual effort and resources for entrepreneurship to business areas where it is needed. As ratified by previous studies presented in the literature review, this suggests the intensity of innovation and entrepreneurship changes according to the business situation.

We do have existing organizations such as product development that do take a lot of risks and are very innovative and entrepreneurial parts of the organization. (Interviewee 1).

According to Klofsten et al. (2012) external assets must be combined with internal skills and capabilities to create combinations of capabilities that produce competitive advantage and generate success. Hiring innovative individuals who demonstrate entrepreneurial capability is a crucial factor to how well the case company can succeed in their innovative and entrepreneurial agenda and is considered fundamental for building innovation capability in the company.

It all comes down to people. It is incredibly important to recruit people who fit the organization and that we hire people who really think entrepreneurially. Then, we give you the resources, we give you the targets, but we don't tell how you should reach them. (Interviewee 8).

Additionally, the case company engages with a lot of partners and customers to co-innovate and ideate potential improvements that can be applied also within the organization and therefore contribute heavily toward building the company's capabilities.

We work a lot with partners and a big part of the innovation comes from them as well. (Interviewee 4).

We are helping our partners build capabilities and innovate using our tools. We also learn from that and we can apply the innovations to our own work and organization. (Interviewee 7).

Leadership capability

The role of management in corporate entrepreneurship is covered by various studies. The collective understanding in the field is that the top management should be creating the environment for corporate entrepreneurship to happen and promote an atmosphere that supports taking entrepreneurial action, whereas the middle/operational management needs to support and coach individuals and teams to act in an entrepreneurial manner. The interview evidence unveils that leadership is considered as a crucial enabler of capability creation and development in the company, however the term leadership is thought to entail more than traditional management. In the case company, leadership represents expertise, taking action when needed and acting as a role model to others.

People who are in the position of leadership need to be able to articulate what is our north star, where do we want to go and what are our priorities. Our leadership principles

also support entrepreneurship, it is about clarity, energy and delivering success. We need to see entrepreneurship from the top and then people can embed it to their own behaviors. (Interviewee 3).

Leadership considered not only as leaders but everyone practicing leadership within the organization. If you are really passionate about what you want to change and you're willing to work for it you can make it happen. (Interviewee 3).

We evaluate our employees based on how they reach their own goals, how they've built on other's ideas, and how they've helped others which I think is also a big part of entrepreneurship and what we do. (Interviewee 8).

Managerial and interpersonal skills for supporting entrepreneurial individuals are valued in the company, and the interviewees see them as an essential part of building a culture that promotes entrepreneurial action, and a major enabler of driving improvements in the organization. Managers should coach individuals and help them find and develop new capabilities, and ensure they are exploited by the organization. This is also critical for entrepreneurial individuals to engage in risk-taking activities, and granting them the space and empowerment to be entrepreneurial.

It is very important to think about how failure is communicated in the organization. Do we allow you to take risks, does the manager support you in doing that and encourage you to it? Our managers have been trained to support risk taking and model behaviors. (Interviewee 4).

We definitely need to encourage people to take risks. if we don't take risks we will never innovate. I think for me it comes down to psychological safety, that people feel like they can say what they feel and take risks and modify the way we do things because then we learn. I promote trying new things and not getting discouraged whenever you try difficult things. (Interviewee 5).

My manager gives me ideas but it's always up to me if I want to reinforce those ideas. no one is telling me that I should do this and this, but they are providing me with alternatives. (Interviewee 6).

While the interviewees see top and middle management as important enablers and pacesetters for organizational rejuvenation and innovation within the organization, the role of the entrepreneurial individual is reflected to be substantially more crucial. The interviewed managers emphasize their role in supporting the needs of their direct subordinates and coaching them to the direction they want to go to in order to support their autonomy. The recruitment practices are held in high importance for supporting entrepreneurship and organizational development, and the managers are very vocal about hiring the right people to the organization, which also impacts innovation capability in the organization. The employees see entrepreneurship as something that is expected of them and think it is a part of their role, which showcases the entrepreneurial culture the company hosts.

In many roles the description is not very tied down. There are many parts that can be interpreted in different ways so I think autonomy is there by default for many of the roles. (Interviewee 7).

Entrepreneurship is expected from us because their roles and the jobs that we do are very much independent. I like to have other like-minded people around me because I really like the synergy that comes from being innovative. If we're innovative together it can be more than our individual contributions. Having a lot of like-minded people who also have different skill sets gives us an opportunity to learn from one another. I think that is a key in enabler for rejuvenating the organization. (Interviewee 6).

Consequently, the results reveal that employees act as a key channel for corporate entrepreneurship in the case company. Networking benefits and cross-collaboration are

crucially important for driving changes and development ideas further in the organization.

In this firm you can get quite a lot of support behind you if you have a good idea. People are willing to take action and help you. (Interviewee 7).

You need to have a thick skin and really want to fight it through. But if you really find something that could be developed and benefit us on a wider level across our locations, we will implement it and we will take it to the other parts of the organization as well. (Interviewee 5).

Cultural capability

The findings on culture and its impact on organizational rejuvenation are scarce (Castriotta et al., 2021) in existing literature, however above all the distinct capabilities recognized as enablers of organizational rejuvenation and corporate entrepreneurship within the case company the interviewees highlight culture as a substantial factor to the process of rejuvenation. Culture is seen as a combination of factors, bringing together the separate elements needed for corporate entrepreneurship to happen within the organization. The results suggest that this culture is something that is extremely unique and specific to the case company, and it promotes all other dimensions of entrepreneurship and rejuvenation, facilitating an environment that allows entrepreneurship and innovativeness.

We need to have a culture that is creating clarity, generating energy, inspiring optimism, creativity and growth. We need to create an environment where everybody does their best work and that's how we build organizations that are stronger tomorrow than today. Culture is hard to imitate, and it needs to go through the entire organization. (Interviewee 3).

This culture is a combination of the individuals' unified attitude and willingness to learn and improve their work, capabilities and skills that bring together the organization and lead to rejuvenation. The results imply this culture creation is a collaborative effort, and the case company puts a lot of weight on how well the individuals in the organization build on each other's work and contribute to helping others. This culture is also heavily impacted by managerial methods and top management support, which are seen to form the frame for an entrepreneurial organization.

I think we have an open culture which is allowing us to take ideas to the front and discuss them, and where it feels safe to present these ideas. Further, it is really important that we really raise these ideas to the front, and do not only discuss them in small circles. (Interviewee 2).

When our organizational culture is inclusive and diverse, we are able to bring forward our own thoughts and our innovativeness. We are not afraid of saying our opinion, are willing to disagree and can raise the things that are not working to the front, which is how we can also improve and rejuvenate the organization. (Interviewee 5).

It is important to note, that the above distinctions of the capabilities – change, learning and knowledge, innovation, leadership, and culture – and management methods used to administrate and develop them are not entirely separable from one another. The case company representatives mentioned the different capabilities throughout the interviews and in responding to questions about different topics, creating connections between different management practices and linking one capability to other. Therefore it is reasonable to cogitate the capabilities and management practices overlap in part, which impacts concrete data structure creation and theorization in this thesis, discussed in the next chapter.

5 Discussion

In this chapter, the results of the research are reflected against the theoretical framework presented in the literature review, and the answers to the research objectives are given. The main research objective of this thesis is answering the question:

How are corporate entrepreneurship capabilities for fostering organizational rejuvenation managed and developed?

In order to answer to the primary research question, three sub questions reflecting the key dimensions of the main objective were formed:

- 1) *What are the key CE capabilities in the context of organizational rejuvenation?*
- 2) *What are the key methods utilized in organizations to manage these capabilities?*
- 3) *How are the CE capabilities developed and maintained in practice within firms?*

5.1 Corporate entrepreneurship capabilities for organizational rejuvenation

In the light of the most recent research in the field of dynamic capabilities, it is undeniable that they are a fundamental and mandatory part of achieving success in any organization. Each organization's capabilities are a combination of the individuals' skills, abilities and competencies, and the collective capabilities and assets of the organization, which form the unique and differentiated capability base for the company. This results in hard-to-imitate competitive advantage (Teece, 2014) which is considered to eventually lead to superiority and financial wins in the market. Therefore, it is clear that specific capabilities are required for corporate entrepreneurship and organizational renewal to occur within an organization and in organizational rejuvenation processes – according to

Skarmeas et al. (2016) capabilities are necessary for deploying any entrepreneurial resources to the use of a firm.

As presented in the literature review, the relationship between dynamic capabilities and organizational rejuvenation is particularly intriguing. Antoncic and Hisrich (2003) find the two concepts share similarities, whereas others find capabilities embody the purpose and are major enablers of corporate entrepreneurship (Skarmeas et al., 2016; Klofsten et al., 2021.) Based on Zahra et al. (2006) and Antoncic & Hirsich (2003) framework, it could further be deduced that the relationship of capabilities is bipolar or mutually reinforcing to organizational rejuvenation at the least. As explained in the earlier chapters, Zahra et al. (2006) found that dynamic capability creation is a process entailing entrepreneurial activity, learning and knowledge, and resources and existing capabilities, all of which are cogitated to be part of key capabilities for facilitating organizational rejuvenation (Castriotta et al., 2021). Therefore, capabilities are required for achieving effective corporate entrepreneurship, yet they are also formed through a process where entrepreneurship and other capabilities already exist. Further, the combination of assets these different dynamic capabilities form to facilitate organizational rejuvenation, can further be reasoned to construct organizational rejuvenation capability.

Various corporate entrepreneurship capabilities that impact organizational rejuvenation found in previous research were presented in chapter 2.2.2. Prior research highlights innovativeness, learning and knowledge management, and organizational change as crucial capabilities and building blocks for organizational rejuvenation, and autonomy, risk-taking and innovativeness are further seen as important factors for CE and especially organizational rejuvenation activities to occur. The literature review also touched on specific, deeper level insight and capability constructs that are relevant for each of the above-mentioned high-level capabilities. The evidence found in this research generally supports the theoretical contributions found in previous research, however it further highlights capabilities that are contemplated to be less central by existing literature, such as leadership and the significance of culture for corporate entrepreneurship.

The interview evidence from this research suggests that the key capabilities for organizational rejuvenation include the capabilities proposed in the literature review - innovation capability (Chen et al., 2011; Dixon et al., 2014), knowledge and learning capability (Castriotta et al., 2021; Klofsten et al., 2021; Zahra et al., 2006) and change capability (Adenfelt & Lagerström, 2006; Andreeva & Ritala, 2016). Further, the case company's values available on their website highlight innovativeness, business transformation, and learning, through exploiting the collective knowledge and abilities their diverse workforce, customers, and partners bring to their business. Thus, the results of this research suggest that these values set by the top leaders in the organization are grounded in the everyday business practices and are, in fact, central to building corporate entrepreneurship capabilities and a culture that supports these efforts. Based on this assumption, it may be concluded that leadership and culture may have an important role in organizational rejuvenation.

As proven by previous research, such as Zahra et al. (2006) and Teece (2014; 2016), the dynamic capabilities surfacing within an organization impact one another and capability creation in an organizational setting in general. The different capabilities and their dimensions were highlighted at various stages of the interviews, which demonstrates that the capabilities that are important for organizational rejuvenation are also intertwined. Lam et al. (2021) and Makloufi et al. (2021) found that knowledge management and innovation capability share a robust relationship, demonstrating that knowledge capabilities and innovation capability lead to organizational learning (figure 3). Giniuniene & Jurkisiene (2015) identified that this learning is a method for deploying the capabilities to an organization's processes. Thus, it may be presumed that this loop of innovativeness and learning facilitates the organizational rejuvenation process. Giniuniene & Jurkisiene (2015) and Iranmanesh et al. (2021) additionally recognized a positive relationship between innovation capability, learning capability and operational performance, formalization, and specialization. The results further emphasize the role of flexibility and agility emerging in change management, which is described as achieving the continuous renewal practice in literature (Huang et al., 2011), in effective organizational rejuvenation

processes. Thus, it is central to acknowledge that the individual capabilities facilitating organizational rejuvenation potentially have causal relationships and do not surface as separate from one another, however this study does not go into further depths in examining the relationships the capabilities potentially host.



Figure 3. Innovation capability, knowledge capability, learning capability, change capability for organizational rejuvenation

The significance of suitable management methods in promoting corporate entrepreneurship is also widely recognized in literature. Various scientific articles underline the importance of management support (Urban & Wood, 2017), encouraging and allowing risk-taking (Shepherd et al., 2013), and letting individuals to be entrepreneurial and bring forward their innovative input to an organization (Klofsten et al., 2021), even declaring that entrepreneurship cannot surface without these customs being in place. Yet, very few studies combine these traits and behaviors as a specific capability enabling organizational rejuvenation and corporate entrepreneurship at a wider scale, whereas the interviewees noted that the ability to lead the organization and take action to proceed to

an innovative and creative direction is crucial for establishing entrepreneurship and rejuvenation in the organization.

As stated above, a wide body of research examines management of corporate entrepreneurship as a mediator without which entrepreneurship would not successfully occur in organizations, and therefore it seems irrational not to consider this leadership as a specific, dynamic capability driving corporate entrepreneurship. As identified in the data analysis, this ability to facilitate autonomy, empowerment, and tolerance of risk-taking in the organization is hereby described as the leadership capability. Similar to Chen et al. (2011) conclusions, the results indicate that without correct leadership driving the values and strategic goals of the organization, corporate entrepreneurship cannot be applied, and the best opportunities for rejuvenation and capability development cannot be sensed or seized. To conclude, this thesis deliberates leadership as a crucial capability an organization must master to achieve organizational rejuvenation through CE.

The findings of this study further embed culture to the capability base for facilitating organizational rejuvenation. Honig and Samuelsson (2021), Chen et al. (2011) and Molina and Callahan (2009) distinguish the prominence of culture for promoting and enabling entrepreneurship in their work. The relevance of cultural attributes as fundamental for building capabilities is therefore acknowledged in literature, however Castriotta et al. (2021) argue the significance and role culture plays in corporate entrepreneurship must be further examined. Lam et al. (2021) claim “an open innovation culture of an organization in which mutual trust, collaboration and learning are promoted by supportive and participative leaders is more likely to increase the efficiency of knowledge management practices; thus, eventually lead to enhanced innovation capability of the firm”. Iranmanesh et al. (2021) found that culture as an organizational resource has an impact toward organizational design elements that construct innovation capability and claim that therefore the internal resources have a significant effect on achieving organizational goals. Further, Honig & Samuelsson (2021) highlight that large corporations must

specifically manage their culture to the direction of supporting corporate entrepreneurship to be able to realize benefits from it.

Despite all the above remarks of culture's relevance for corporate entrepreneurship, Castriotta et al. (2021) suggest this need of achieving and sustaining an entrepreneurial culture is not widely identified as a key capability for organizational rejuvenation in literature. It could be reasoned that this is potentially due to the scarcity of research touching organizational rejuvenation in general. The results of this research, nonetheless, underline culture as a principal enabler and resource for organizational rejuvenation and entrepreneurship, highlighting that the organizational culture of the case company is the backbone for their strategic renewal processes, learning habits and innovativeness, that enable the capability creation for the firm. Therefore, following the theorizations of above authors and the evidence from this research, it can be connotated that culture is, in fact, a highly relevant moderator for building organizational rejuvenation capabilities and a key capability itself.

5.2 Management practices for instituting organizational rejuvenation capabilities

The key dynamic capabilities for enabling organizational rejuvenation identified in this thesis include innovation capability, change capability, knowledge management and learning capability, leadership capability and cultural capability as a moderator and by-product of all the above capabilities, which in conjunction form the basis for organizational rejuvenation. Further, organizations must be able to effectively exploit their existing resource base, and essentially find the areas where new innovations can exhibit more value to their business. The ability of the organization to engage in corporate entrepreneurship is highly reliant on suitable management (Urban & Wood, 2017; Azis & Amir, 2020), and especially managers themselves play a significant role in this process, as stated in the previous chapters.

Management practices utilized in companies vary depending on the organization in question, and they are further targeted toward the dynamic capabilities of the specific organization due to the unique nature of dynamic capabilities. In this context, it is necessary to acknowledge that the list of capabilities presented in this thesis is not exhaustive, however it is a demonstration of the most central dynamic capabilities required for organizational rejuvenation. Capabilities of the organization must be moreover aligned with the external and internal needs of its environment, and they should be developed as the environment changes (Klofsten et al., 2021). Likewise, the management practices presented in this thesis are specific to the case organization, and other organizations may consequently deploy different practices to support organizational rejuvenation and the capabilities that enable it. As affirmed in previous chapters, the literature on capabilities management in the context of corporate entrepreneurship is limited in general, which is why this chapter relies heavily on the empirical results gained through the qualitative research performed in this study.

Reinforcing the conclusions of Burgelman (1983) and Kuratko and Audretsch (2013), the results indicate that the top management should create the core framework for organizational rejuvenation and CE within the organization and communicate the vision and ambitions across all levels of the company. Despite this shared understanding of the top management's role as a pacesetter for the company, even heavier emphasis lies on their ability to be appreciative toward employees' autonomy, ideas, and entrepreneurship they present. Similar notions have been made in previous research, as Urban and Wood (2017) and Teece (2016) found that management support is a key enabler of corporate entrepreneurship and capability creation in organizations, whereas Azis and Amir (2020) highlight their role especially in promoting risk-taking and supporting through general human resource management. Chen et al. (2011) condense that managers' role is vital in supporting this entrepreneurial behavior.

The research evidence suggests that the case company has been successful in realizing this entrepreneurial management agenda. One of the key findings on this front is the

managers' attitude toward the employees' way of working: they expect their subordinates to act in an entrepreneurial manner, and the managers' role is to guide and offer perspective. The company views managers as coaches and sponsors of their teams' and subordinates' entrepreneurial endeavors and considers their role extremely important from the perspective of creating a safe environment to present one's ideas, allowing employees empowerment on how they perform their work, and enabling them to take on entrepreneurial initiatives to drive internal improvements and reformations. This is further seen as a contribution toward building a culture that further enables innovativeness, autonomy, and entrepreneurship. This take on managers' role is also aligned with Huang et al. (2021) finding that coaching has positive impact to an individual employee's entrepreneurship.

The above focus on the employee and their own autonomy in practicing entrepreneurship implies a modern CE practice. During the decades, the focus of managing corporate entrepreneurship shifted from top management driving entrepreneurship efforts (Burgelman, 1983) increasingly toward individuals as leaders and drivers of entrepreneurship in organizations (Urban & Wood, 2017; Arun et al., 2020). Corbett et al. (2013) and Klofsten et al. (2021) claim individuals' skills, commitment, and ability to drive entrepreneurship, collectively discussed as leadership capabilities in this thesis, are among the most impactful contributors of corporate entrepreneurship. In unison with Huang et al. (2021), the interviewees mention the workforce as a core enabler of entrepreneurship within the organization, driving innovative ideas and projects, sharing insight and knowledge, and acting at the forefront of change.

The case company applies several management practices to support this leadership capability. The managers focus on hiring processes to ensure that the workforce embodies and promotes the company's values and culture, can effectively work in the dynamic and continuously changing environment, is hungry to learn, and hosts entrepreneurial mindset, capabilities, and skills. The interviewed managers underline the importance of finding the people who embody the above characteristics. The employees' incentive plans

are also partly based on how well they build on others' ideas and help others, and depending on their role, innovativeness and entrepreneurial activity are incorporated to the company's rewards system, encouraging entrepreneurial individuals to engage in corporate entrepreneurship activity. It is also central that the pay and benefits in general are satisfactory for the employees, and they are thus motivated to join in the company. These results support Azis and Amir (2020) findings that HRM practices are important for facilitating CE and organizational rejuvenation.

In conclusion, the general management style, hiring, and incentive plans are important enablers for the general entrepreneurship agenda of the organization, allowing renewal to surface within the company. In addition to these management practices, the case company has also focused on an array of specialized efforts to support the different capabilities that enable organizational rejuvenation. To promote innovation, the company hosts challenges and events for employees to showcase their expertise and ideate improvements for both external and internal use, and then deploys them to drive improvements within the organization. Feedback loops within the organization work well and promote innovative improvements and renewal practices for the organization, while providing the top management with insight about the daily operations of the organization, which is further important for the firm's ability to recognize opportunities of organizational development and need for change. The case company places emphasis on practicing co-innovation and open innovation with partners and customers to gain insight from the external audiences and build innovative solutions that benefit the company directly, or through the success of their customers and partners, and uses its internal network as a benefit and enabler of more innovation in wider areas. This is further seen as an integrated part of the company's core business habits, where the customers and partners are seen fundamental actors for driving the business.

Knowledge development and learning are considered to be facilitators for the creation for other capabilities and creators of a development loop evolving within an organization in existing literature (Dess et al., 2003; Zahra et al., 2006). Similarly, the case company

views knowledge as a foundation for the ability to drive organizational rejuvenation, rationalizing that to make sensible improvements based on informed decisions, the entrepreneurs within the organization must understand the organization's functions and business. The case company builds its learning and knowledge capability through supporting employees' own knowledge capabilities development through applying mandatory trainings on relevant topics and encouraging learning in general. It has invested in offering a wide selection of learning resources to all employees to enable them an opportunity to learn about an area the individual employees see as relevant and interesting for them, and exercises active best practice sharing across its internal departments, different locations, and even external partners. The relationship between learning and other capabilities required for the company's business is recognized, and the learning tracks of the employees are planned to train them on the core areas of organizational rejuvenation, such as change management, coaching, and leadership.

Achieving continuous renewal and sustainability of entrepreneurship activity within an organization itself is a dynamic capability (Huang et al., 2021), and this change capability and attaining a habit of change is prioritized out of all the mentioned capabilities in the research evidence. This change capability is seen crucial for the case company's ability to gain competitive advantage and is considered one of the most important dynamic capabilities for organizational rejuvenation by the interviewees. The case company has invested in building a strategy that promotes continuous renewal, and purposefully organizes structural rearrangements within pre-determined intervals to ensure that the employees can adapt to changes, and the organization can quickly adjust its functions based on both external and internal needs and maximize value creation through superior internal alignment and ideal structural choices. As mentioned above, the employees are trained in change management, and therefore they carry the necessary skills to act as agents for it and take on meaningful initiatives that drive change in the organization.

Molina and Callahan (2009) found that culture that supports important entrepreneurship capabilities, such as learning, leads to organizational structures and processes that

enable it to develop these capabilities in a way that answers to its needs. All the other capabilities and actions taken to support organizational rejuvenation through corporate entrepreneurship activity are reinforced by the cultural framework built in the company. Chen et al. (2011) highlight that managing the organization and the entrepreneurial behaviors surfacing within a firm should be done through showcasing organizational values and cultural attributes. The case company has built their culture to support their other capabilities, and the processes related to them, and it monitors that their culture is reflected in a way their employees work on the daily basis. Culture is seen as an enabler and core structure that allows capability development and entrepreneurship in the organization. The company's value base is mirrored in this culture, and it is strongly connected to elements that are generally considered entrepreneurial. Especially innovation is mentioned at the forefront of the organization's efforts in its public records, however the collected data suggests that other entrepreneurial factors described in the above chapters are embedded in the way the company works.

Despite all these efforts the case company is taking to manage corporate entrepreneurship practices that enable organizational rejuvenation, it also recognizes challenges and areas for improvement. As stated by Teece (2012) finding the balance between everyday tasks and ad-hoc is also a central dynamic capability, and this is especially difficult in the current dynamic environment of the technology industry, where the outcomes of business initiatives are monitored and measured with new tools and technologies. The results suggest this capability of finding balance between driving incentivized tasks, and willingness to be entrepreneurial and launch motions to innovate and renew, is a key challenge in the case company, which reflects the importance of rewards systems and incentives that support and promote entrepreneurship. According to Azis and Amir (2020), traditional reward systems lack representation of the value gained through failure, and in alignment with their claims, the interviewees noted that employees will rather spend their time on the tasks they get rewarded for monetarily, than being extremely innovative and contributing to organizational development projects. They further felt that even if their manager encourages risk-taking and being innovative, the

pressure of reaching the business targets set for them forces them to prioritize routine activity over entrepreneurship.

5.3 Development of dynamic capabilities for organizational rejuvenation

In alignment with Zahra et al. (2006) framework on dynamic capability creation, the case company utilizes various methods and existing dynamic capabilities they host to develop new capabilities. As described in the previous chapter, the dynamic capabilities identified to be relevant for organizational rejuvenation impact capability creation in general and have potential relationships that further have an impact on how other capabilities surface in the organization – for instance, the relationship between innovation and knowledge formulates learning capability that promotes organizational rejuvenation. The research evidence suggests that the relationships between the dynamic capabilities emerging in the organizational rejuvenation process may be even more complex.

According to Teece (2012) dynamic capabilities have an influence on how well and how fast an organization can utilize their resources to support their business needs, and the case company has noted this in the way they work. It recognizes the need to build new capabilities, as well as refining existing processes and capabilities to gain new competitive advantage. Internal capability development targeting organizational rejuvenation is seen as an important part of building a more successful company, and the company places ongoing effort toward rejuvenating itself, applying the management methods presented in the previous section. Teece (2012) further claims this entrepreneurial management practice is about sensing and seizing opportunities, which is crucial for the dynamic capability creation process. As demonstrated, the case company evaluates opportunities and need for change continuously through gathering feedback and ideation, establishing internal and external round table discussions, and hence it actively practices this evaluation of opportunities for rejuvenation.

As this study was conducted in a subsidiary of the multinational case corporation, it is also necessary to note that the subsidiary level organizational rejuvenation differs from company-wide efforts despite the collected data reflecting both aspects of the organization. Ashan and Fernhaber (2019) note that opportunities that are sensed or seized within a subsidiary vary based on gathered knowledge, capabilities, and the environment, and therefore the capabilities and their development in a specific subsidiary may differ from others. Different rejuvenation related opportunities require different capability building efforts, which should be noted. The interviewees raised that more local empowerment is needed to effectively exploit organizational rejuvenation practices in the case company and see that achieving local entrepreneurship that generates organizational rejuvenation remains a challenge for the firm. Nevertheless, the results signify that organizational rejuvenation efforts are also required on a local level to accommodate to the market needs of that specific environment.

The role of culture and leadership-related aspects for capability development and creation are also stressed in the gathered data. The evidence suggests that establishing a culture that is promotive of entrepreneurship and ideation, and where employees feel safe, supports their willingness to take on risks and voice their opinions and development ideas, as identified by Shepherd et al. (2013) and Azis and Amir (2020). Consequently, this culture and the resulting entrepreneurial environment leads to the employees harnessing their own ideas and demonstrating their own innovative capability, which is then concluded to lead to organizational rejuvenation and capability development.

5.4 Extended framework for managing organizational rejuvenation capabilities

A final theoretical framework (figure 4) is created based on the above discussion mirroring the theoretical framework uncovered in the literature review and the results of this research. The created theoretical model of organizational rejuvenation capability management development represents the capabilities uncovered in this thesis, and the

factors that impact capability creation and development of each capability. Through grouping the capabilities, the framework further suggests that the capabilities need to be developed and managed in unison, however it does not describe the relationships between the specific capabilities and their impact to one another. Therefore, the phenomenon requires further research to better determine relationships between the separate capabilities, and how scalable the framework is for other firms in practice. These topics are conversed in more detail in the next chapter, conclusions.

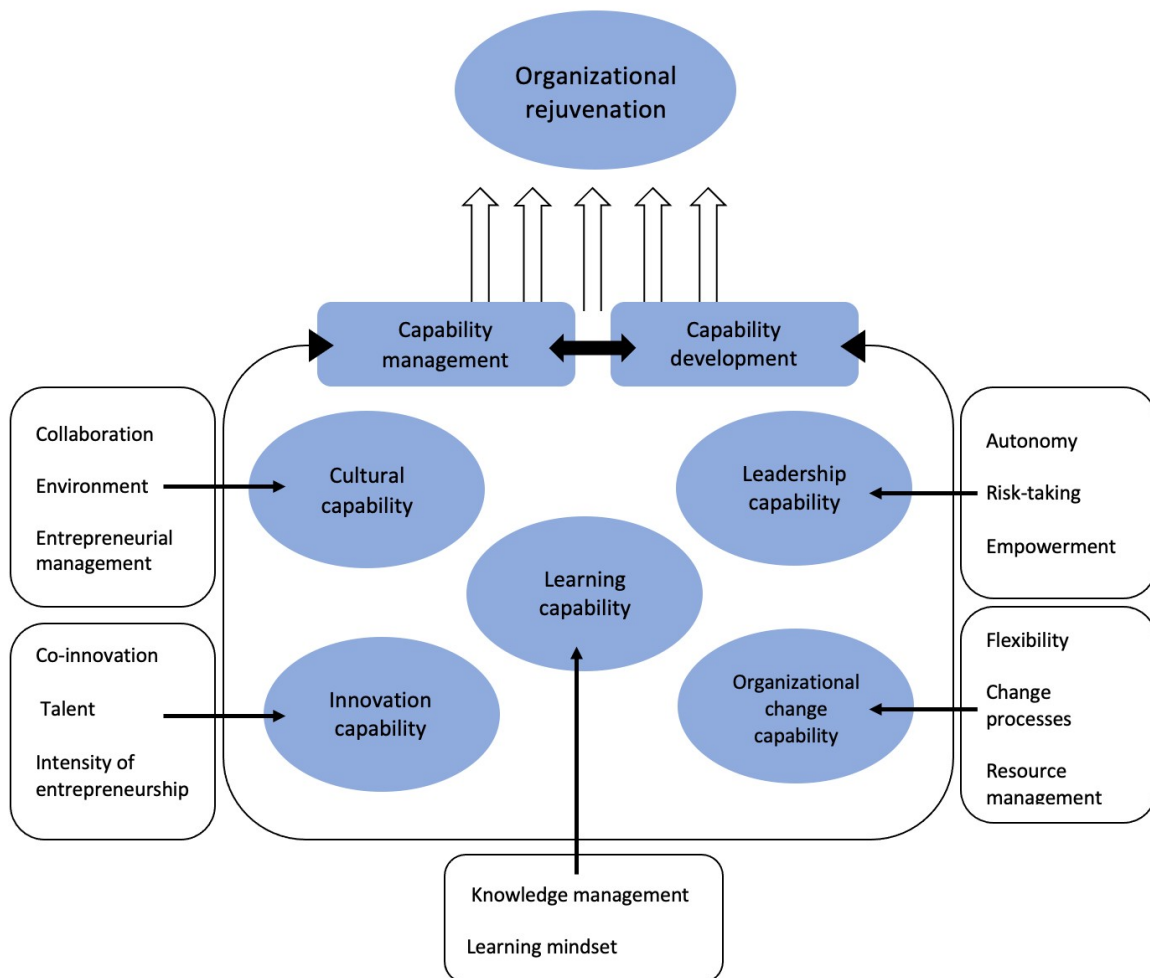


Figure 4. Extended theoretical framework for corporate entrepreneurship capabilities enabling organizational rejuvenation

6 Conclusion

The aim of this thesis was to uncover how corporate entrepreneurship capabilities for fostering organizational rejuvenation are managed and developed. This was studied through a qualitative single case study method using a multinational technology firm as a case company. A theoretical framework was then created based on an analysis of collected data and literature review, and the research objectives were answered.

First, the capabilities relevant for achieving organizational rejuvenation through corporate entrepreneurship activity were explored. Five central dynamic capabilities were identified: organizational change capability, learning capability, innovation capability, leadership capability and cultural capability. Especially innovation, learning and organizational change have been raised as crucial capabilities for corporate entrepreneurship in existing literature, however the research evidence suggests that leadership and cultural abilities of the case firm are further obligatory for practicing CE through organizational rejuvenation. It is additionally noted that the five underlined capabilities are the most prominent in existing research and reinforcingly ranked highest in the collected data, however many other capabilities exist and further support these capabilities. It is additionally stated that the capabilities have relationships to one another, and they impact how other capabilities emerge and are present in an organization. This is an important conception as the shared extents of the capabilities impacted data structure creation, where the relationships had to be simplified to create a clear framework. These relationships were not examined in detail in this study.

The management methods utilized to manage and develop capabilities in the case company are partially specific to the individual capabilities found in the research, however some management practices were discovered to be universal for building all the presented capabilities and general entrepreneurship abilities within an organization. Management support for providing resources and allowing individual employees space to perform their role and make decisions in their preferred way were seen as important factors for supporting all of the capabilities required for organizational rejuvenation and

corporate entrepreneurship in general, and therefore contributing to capability development for all the capabilities presented in this thesis. More detailed management and development methods were also presented from the perspective of each individual capability, providing a holistic view of general management methods required for developing and managing capabilities for organizational rejuvenation. It was also concluded that individual entrepreneurial employees host foundational influence in how corporate entrepreneurship emerges in an organizational framework, and thus their role in managing capabilities is significant.

6.1 Theoretical implications

There's still a lot to uncover in the arena of organizational rejuvenation in corporate entrepreneurship literature, which has been noted by scholars in the field – a growing number of articles about the topic are continuously published across various scientific disciplines (Cagriotta et al., 2021). This thesis contributes to the literature stream in three central ways:

First, the study fills in the proposed research gap in literature, offering insight about the capabilities that are required for enabling organizational rejuvenation. Holistic research on the different capabilities required to enable corporate entrepreneurship is limited, and especially in the realm of more specific dimensions of CE, this lack of research is apparent. This thesis therefore contributed to theoretical framework building through creating a rounded portrayal of the most central capabilities required to achieve organizational rejuvenation, which is an important contribution as very few studies about the topic exist to date. The study moreover offers a fruitful ground for further research on capabilities identified in this study and extending the research over other CE dimensions.

Second, this thesis enlightened the management practices required for facilitating corporate entrepreneurship and organizational rejuvenation, which has also remained a gap in the research stream. As more and more organizations start to intentionally shape their

environment and internal structures to better support entrepreneurship, this ground of research is perhaps the most crucial from a practical perspective. A wide range of management practices were identified as a result of this research, and the identified methods can therefore prove useful in the use of other organizations as well.

Finally, it was discovered that capabilities can impact one another and that their building blocks may be shared across different capabilities, which consequently have an impact to how they are managed and developed. The capabilities' relationships impact to corporate entrepreneurship and firm success is unclear based on existing literature, and it is important to note that this topic was not discussed in this study in extensive detail. Thus, this theoretical notion raises another potential arena for further research.

6.2 Managerial implications

Many managerial implications can be drawn from this study, however no single recipe for success can be created. Based on the research outcomes, it is nevertheless easy to make the conclusion that management's role is extremely central to corporate entrepreneurship, and without this corporate setting that supports and promotes entrepreneurship and individuals who are innovative, no corporate entrepreneurship would occur. In order to support this agenda, the enabling capabilities must be further identified in the organization engaging in corporate entrepreneurship and managed to support capability development and creation. Continuous examination of the surroundings is additionally required to deploy new capabilities and develop existing ones, as found by Zahra et al. (2006).

The study outcomes suggest that culture plays a pivotal role in enabling corporate entrepreneurship, and it is seen as a facilitator of all entrepreneurial activity in the organization. Therefore, it is reasonable to argue that managers should place emphasis and effort toward creating an environment that allows risk-taking, individual decision-making and innovativeness. The evidence from the collected data further links this with

safety and trust, that are required for achieving the desired level of risk-taking and innovativeness. In practice, managers must apply leadership methods that empower individuals whilst guiding them to work in a manner that supports the company vision and desired outcomes. The methods include coaching and collecting feedback, and having an accepting space for sharing opinions and thoughts openly, which is believed to lead to further innovativeness and renewal. A part of this culture creation and organizational rejuvenation in general can also be linked to HRM practices – hiring the right people with skills and mindset for innovation and entrepreneurship, and designing the reward system and employee evaluation framework to support entrepreneurial attributes. If the workforce shares values that are considered important for the company, the culture is also reinforced.

In addition to the important leadership and culture capability aspects of organizational rejuvenation, management should participate to the process of allocating resources in a manner that promotes entrepreneurship targeting rejuvenation and renewal. First, the managers contribute to the resource base of the company through hiring individual employees that bring the right mindset and expertise to the use of the company. On the other hand, managers must aid individuals with finding the best resources for them to realize their innovative thoughts and entrepreneurial assets. Network management, for instance, plays an important part of facilitating organizational rejuvenation in the case company. In addition to this, management should ensure that the employees have the learning resources available for them to perform well and become experts in their area, as knowledge is a crucial piece for identifying and selecting opportunities for development based on the research outcomes.

Despite the emergent nature of corporate entrepreneurship and organizational rejuvenation, managers can take action on driving specific practices that support this agenda. Castriotta et al. (2021) argue managers should develop corporate entrepreneurship based on the dimensions identified in literature, suggesting that managers should consider each individual dimension and take action in the realm of that specific dimension.

These tactics were also demonstrated in this thesis – for example workshops and roundtables to boost innovation, training to understand change processes and drive them effectively, and learning about the organization itself and its processes. It is also important to note that some balance is required to effectively apply CE and organizational rejuvenation, and management is responsible of ensuring that individuals spend their time on innovation and transformation in addition to their other day-to-day tasks. Management further needs to ensure that corporate entrepreneurship practices are applied in the business areas where they are relevant and needed, thus supporting corporate entrepreneurship efforts where they are needed, and identifying when they are needed.

6.3 Limitations & suggestions for future research

The first limitations of this study are related to the methodological choices of this research. A single-case approach was chosen to identify the uniqueness of the dynamic capabilities to the specific case firm and its environment, however single-case studies do not necessarily provide generalizable scientific input in comparison to multi-case studies. Other studies reflecting a wider range of organizations should be conducted to further validate the generalizability of the theoretical framework proposed in this thesis. The study also represents the organization's rejuvenation capabilities at a specific moment in time, and a more longitudinal research approach would have allowed a deeper dive in the development processes of the specific capabilities, which would have potentially provided a more holistic understanding of capability management and development.

As the case company is a very large entity with locations across the globe, the eight conducted interviews provide a very limited view of corporate entrepreneurship within the company, and a larger sample could have provided stronger evidence. However, the interviewees were selected to represent various levels and departments of the case organization, which allowed for a more universal understanding of the phenomenon across the organization.

Further, the lack of clear conceptualization of the research phenomenon and limited theoretical background posed a challenge for this study. The dimensions of corporate entrepreneurship and specifically the capabilities related to organizational rejuvenation have not been studied adequately, and therefore part of the research input had to be brought from various other management research streams around capabilities and management of corporate entrepreneurship. On the other hand, it is clear that various components of the theoretical framework are overlapping, as mentioned in the discussion chapter, and this overlapping may have influenced the general lack of strong definition.

The research stream on organizational rejuvenation offers a variety of opportunities for further research. Firstly, the general corporate entrepreneurship dimensions require more investigation, and especially the scientific base for organizational rejuvenation should be explored in more detail. From a capability perspective, the causalities and relationships between different capabilities could be explored, and further investigated against the other dimensions of corporate entrepreneurship. Longitudinal studies could be performed to better understand the development of the identified capabilities and dimensions of corporate entrepreneurship, and findings could be then applied to multi-case studies to build a grounded and well-argued theoretical framework for the topic. More detailed studies about culture and management practices could further be conducted to increase understanding of how organizations can better support corporate entrepreneurship in practice, and the capabilities could be explored from the perspective of entrepreneurial orientation and behavior.

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Appendices

Appendix 1. Interview questions

This interview is used and completed only for academic research purposes. The interviews will be recorded, and interviewees will remain anonymous.

1. Background questions

- What is your current role in the organization?
- How many years have you been working for this firm?
- Please describe the structure of your organization

2. Corporate entrepreneurship & organizational rejuvenation

- What is your firm's take on CE? How is it viewed within the company?
- Do you think corporate entrepreneurship is important and do you see value in applying corporate entrepreneurship? Why?
- How do you enable and manage corporate entrepreneurship within the company?
 - How do you promote corporate entrepreneurship within the company?
 - Structure of the organization?
 - How do you reward for CE activity?
 - Do you consider CE capabilities in the hiring process?
 - Top management support?
 - Culture – frequency of entrepreneurial activity?
- What are the key enablers of CE in your opinion?

- Organizational rejuvenation is about making effective changes to build competitive advantage, internally focused strategy improvement. What do you find are the key activities this is drive CE from this perspective?
- How do you encourage individuals to take an entrepreneurial attitude toward their work and organizational development?
- Is there something that does not work as well regarding managing and developing corporate entrepreneurship in your company? Where should your organization improve in your opinion, what are the key areas of improvement still?

3. Dynamic capabilities

- What are the core capabilities (firm specific processes and business models) that enable CE, specifically organizational rejuvenation, in your opinion?
 - Unique assets that are specific to this firm especially?
- What are the key factors (external and internal) that impact the capability creation process? How do you support the creation of these unique capabilities? How do you develop the existing capabilities and refine them?
- Sensing, seizing, transforming → How do you manage the process of finding, evaluating, and implementing opportunities for organizational rejuvenation in the company?
 - How do you sense opportunities for improvement and changes to be made to your organization?
 - How do you ensure that the good ideas get selected and put forward?
 - How do you monitor the success of these pursuits?

- What capabilities do you think should be developed more in your organization to better realize corporate entrepreneurship and organizational rejuvenation benefits?
 - o Where is your organization still lacking?
 - o What are the weaknesses of the organization in this context?

4. Capabilities development

a. Innovativeness

- The relationship between organizational rejuvenation and innovation?
- Does your organization culture support innovation? How?
 - o Are employees encouraged to innovate and participate to internal development? How – what are the key methods used for this?
- What actions do you take to increase and support innovation capability?
 - o (How) do you support individuals, teams and larger entities in their innovative pursuits for organizational rejuvenation?
 - o How do you increase internally focused innovativeness in practice?

b. Organizational learning & knowledge management

- How do you develop & manage organizational learning for organizational rejuvenation?
 - o Consider utilizing, revitalizing, developing existing + novel knowledge?
 - o Exploitation also outside of core competencies
 - o Organizational culture
- How do you support and develop managers' and individuals' entrepreneurial skills development?

- How do you ensure organizational learning and knowledge are applied in a way that enables organizational rejuvenation?

c. Organizational Change

Organizational change as a dynamic capability reflects a capability for an organization to see new opportunities, identify a requisite for internal changes and facilitate effective implementation of developments and changes related to these two key components.

- How does your company view internal organizational change?
 - o Managed, emergent?
- How do you manage change in your organization in general?
 - o Context, capacity, level & habit, testing effectiveness prior to implementation
- How do you ensure an autonomous renewal practice for your organization and practices?

5. Management of Organizational Rejuvenation Capabilities

- What kind of managerial expertise does the management and development of organizational rejuvenation capabilities require?
 - o Consider organizational levels: individuals, teams, larger entities
 - o Management levels: Top, middle, operational
 - o Organizational structure, culture
 - o Risk-taking, proactiveness, autonomy
- What do your managers do in practice to support CE?

- Relationship of autonomy and management - how are the best results created?
 - How do you increase employees' entrepreneurship within the company?
- What are the potential avenues of improvement in terms of managing CE in your organization?
- What kind of resources do you have to support CE? What channels do you use for this?
 - How do you ensure the resources are available for these entrepreneurs?
- How well do these entrepreneurial initiatives land to the entire firm outside of this location?

6. General

- Is there something that you'd like to highlight that did not come up during this interview?
- Any key questions that were not asked during this interview?

Appendix 2. Brief of corporate entrepreneurship and dynamic capabilities

Corporate Entrepreneurship (CE)

“An organizational phenomenon that describes possible actions and approaches towards innovation, which connect the individual, the organization, and the environment levels of analysis” (Castriotta et al., 2021).

“Higher-level competencies that determine that entrepreneurial organizations will be able to improve/transform their routines into entrepreneurial actions to integrate, build, and reconfigure internal/external resources” (Guerrero et al., 2021).

“Entrepreneurship within an existing organization, referring to emergent behavioral intentions and behaviors of an organization that are related to departures from the customary” (Antoncic & Hisrich, 2001).

“The process whereby an individual or group of individuals, in association with an existing organization, create a new organization or instigate renewal or innovation within that organization” (Sharma & Chrisman, 1999).

Entrepreneurship is often identified through entailing five key components that are present in all entrepreneurial activity – innovativeness, risk-taking and proactiveness, competitive aggressiveness, and autonomy. Corporate entrepreneurship or intrapreneurship is habitually referred to as entrepreneurship within an existing organization, and the organizational and environmental factors unique to this form of entrepreneurship differentiate the phenomenon from other categories of entrepreneurship. Corporate entrepreneurship surfaces internally in an existing organizational framework, regardless of firm size, and therefore the entrepreneurial individuals (intrapreneurs) within an

organization have significant existing resources to use and organizational structures, framework, and rules to adhere to, whereas traditional entrepreneurs act in new organizations using and building their own resources and host more external focus.

Corporate entrepreneurship is a relatively recent research stream, and the phenomenon can be constructed in various ways. The most common split between the types of corporate entrepreneurship include differentiating corporate venturing from strategic entrepreneurship, which entails all entrepreneurial activity outside of corporate venturing in an organizational setting. Strategic entrepreneurship can be further conceptualized to be split to various different dimensions, however most studies in the field recognize 1) sustained regeneration (the forms of innovation within an organization and the practice of introducing new products and services to existing markets or entering new markets), 2) domain redefinition (potential exploitation of opportunities for an organization and exploiting completely novel product markets or altering existing markets significantly) and 3) organizational rejuvenation (gaining competitive advantage through effective organizational change).

Organizational Rejuvenation

Organizational rejuvenation focuses on firms' ability to increase entrepreneurship through altering processes and structures, and it is an important and central dimension of CE (Cagriotta et al., 2021). Covin and Miles (1999) describe organizational rejuvenation as "a corporate entrepreneurship phenomenon whereby the organization seeks to sustain or improve its competitive standing by altering its internal processes, structures and/or capabilities", where the innovational efforts focus on the organization itself and the entrepreneurial activities targeted toward these functions (Adenfelt & Lagerström, 2006).

Cagriotta et al. (2021) identify organizational rejuvenation as the stream of corporate

entrepreneurship research supporting entrepreneurial development within an organization through executing strategies by utilizing structure, processes, and capabilities. Covin and Miles (1999) state innovation related to organizational rejuvenation redefines operations within an organization, generates value to customers and increases firms' aptitude to implement and endure their strategy.

According to Adenfelt and Lagerström (2006) the behaviors surfacing in the organizational rejuvenation process cover utilizing, revitalizing, and developing existing and novel knowledge, which then constitutes the foundation for potentially increasing competitive advantage. Especially autonomy, risk-taking and innovativeness' impact organizational rejuvenation abilities within an organization.

Dynamic Capabilities

Capabilities can be viewed as building blocks for a strategy that strengthens the value chain to produce competitive advantage. Capabilities may be related to individuals, processes, values, and culture, and they consist of combinations of individual knowledge and ability, collective learning of employees and resources specific to a firm (Teece, 2012), and therefore represent various organizational levels. Klofsten et al. (2021) define corporate entrepreneurship related capabilities as "the organization's ability to react quickly and innovatively to internal and environmental changes in order to adapt to and shape new environments", which critically impacts firm success and survival.

Ordinary capabilities ensure a firm's daily functions and operational excellence, whereas dynamic capabilities support firm development and resource deployment that enable it to survive in the rapidly transforming business environment of today (Teece, 2012; 2016), and the dynamic capabilities are therefore significant from the perspective of corporate entrepreneurship and especially for organizational rejuvenation.

Dynamic capabilities represent the unique, difficult-to-imitate assets of a firm. Dynamic capabilities differ from ordinary capabilities as signature and firm-specific practices (Teece, 2014). Zahra et al. (2006) define dynamic capabilities as ability to change or re-configure ordinary capabilities, such as routines and processes related to business activities, in methods supported and envisioned by lead decisionmakers. According to Zahra et al. (2006) dynamic capabilities are built through a process starting from entrepreneurial activities targeted toward identifying and deploying opportunities. They suggest that this sensing and seizing sparks the selection of key resources, skills, and learning processes which result in ordinary capability formation and collection of organizational knowledge, which together lead to development and creation of relevant dynamic capabilities.