

Review paper

UDC: 005.21:334.72.021
doi:10.5937/ekonhor2403321J

THE ROLE OF PLANNED ORGANIZATIONAL CHANGE IN CORPORATE ENTREPRENEURSHIP

Nebojša Janićijević*

University of Belgrade, Faculty of Economics and Business, Serbia

In this paper, the corporate entrepreneurship concept is complemented by the contributions from planned organizational change models. Resulting from entrepreneurial endeavors undertaken by both individuals and groups within established organizations, corporate entrepreneurship leads to innovation or the regeneration of the existing and the creation of new businesses within the existing companies. However, there is little research in the change process through which entrepreneurial endeavors are realized. This paper seeks to close this gap by synthesizing the contributions of the most cited planned organizational change models, resulting in the activities or steps that, as the change agent, the internal entrepreneur should undertake in order to implement a corporate entrepreneurship project. Based on Lewin's model (unfreezing – move – refreezing), these activities include creating the awareness of the necessity of change, creating and communicating a vision, preparing for changes, implementing changes, facilitating changes, the institutionalizing and monitoring of changes. Thereby, the corporate entrepreneurship concept is complemented and made more realistic in practice.

Keywords: corporate entrepreneurship, planned organizational change, internal entrepreneur, organizational change process

JEL Classification: I26, M10

INTRODUCTION

Broadly defined as entrepreneurship within an established business, corporate entrepreneurship is increasingly being viewed as a tool that allows businesses to rejuvenate and revitalize and create new value through innovation, business development, and renewal (Heinonen & Toivonen,

2008). Corporate entrepreneurship includes a continuous creative process, whose main objective implies the implementation of innovations in the organization as a function of successful business and solving problems faced by consumers and society (Kuratko, Hornsby & Covin, 2014; Crnogaj & Širec, 2014). In S. A. Zahra and J. G. Covin (1996), corporate entrepreneurship is a formal or informal activity aimed at creating new businesses in established firms through product and process innovations and market developments. Understood in this way, corporate entrepreneurship must include the organizational

* Correspondence to: N. Janićijević, University of Belgrade, Faculty of Economics and Business, Kamenička 6, Belgrade, Serbia; e-mail: nebojsa.janicijevic@ekof.bg.ac.rs

change process, since it is only through organizational change that innovations can be introduced to the existing organization that will renew, rejuvenate, and develop the business model (D'Angelo, Cavallo, Ghezzi & Di Lorenzo, 2024). For this reason, planned organizational change could be a very useful concept in building a corporate entrepreneurship model.

Planned organizational change is a set of deliberate activities undertaken by the company's management so as to move the organization from its present state to a desired future state (Stouten, Rousseau & Cremer, 2018). Planned organizational change is very complex and involve many activities and participants, and they occur in constantly changing conditions. For that reason, their success is highly questionable. According to some studies, only one-third of the planned organizational change projects are successful (Jarrel, 2017). There is no reason not to assume that the same applies to entrepreneurial projects within the framework corporate entrepreneurship. Despite the obvious need for the ability to efficiently manage planned organizational change in order to successfully implement corporate entrepreneurship projects, this topic has been largely neglected in the field of corporate entrepreneurship so far. All the authors in the field of corporate entrepreneurship emphasize the fact that this effort leads to changes, but no one has seriously addressed the problem of implementing these changes yet. Thus, a serious gap has emerged in the field of corporate entrepreneurship, which this paper attempts to close. Integrating the planned organizational change concept in the field of corporate entrepreneurship would provide very useful contributions to the development of the theory and practice of corporate entrepreneurship. On the other hand, the application of planned organizational change in corporate entrepreneurship could certainly enrich and enhance the knowledge of how these changes should be implemented. This paper aims precisely to highlight the possibilities of using the knowledge offered by the planned organizational change concept in explaining the corporate entrepreneurship process.

The subject matter of the paper implies change management during corporate entrepreneurship. The

primary research question is: How should corporate entrepreneurs implement changes, i.e. what activities, methods, and techniques should they undertake in order to effectively implement the changes that bolster the implementation of their entrepreneurial ventures? The paper is aimed at presenting the planned organizational change implementation process during the implementation of entrepreneurial ventures within companies. The main hypothesis of the paper reads as follows:

H1: A successful corporate entrepreneurship ventures implementation within companies requires the application of the model of planned organizational change.

This hypothesis will be proven through the integration of corporate entrepreneurship models and planned organizational change management models, which will be performed analyzing the relevant theoretical concepts of both corporate entrepreneurship and planned organizational change.

The paper is structured as follows: first, corporate entrepreneurship is defined; then, the basic dimensions, components, and processes included in it are explained; this is followed by a synthesis of the different planned organizational change models that are found in the literature is carried out so as to identify the activities, steps, or phases of such planned organizational change. Finally, the integration of the planned organizational change models in corporate entrepreneurship is performed by describing the activities and phases of planned organizational change during the corporate entrepreneurship process.

CORPORATE ENTREPRENEURSHIP

Corporate entrepreneurship refers to entrepreneurship within actively operating companies. So, it is entrepreneurial behavior that is dealt with. Namely, it is not an independent individual's behavior, but rather the behavior of a member of an organization, which significantly changes the problem. One of the broadly accepted definitions of corporate entrepreneurship

suggests that it is the process of discovering and developing new opportunities to create value through innovation, regardless of any resources or the entrepreneur's position (Antoncic & Hisrich, 2001). Some authors define corporate entrepreneurship as a process by which individuals within the organization seek opportunities in and beyond the organization, making efforts to use them regardless of the resources currently available to them (Lumpkin, 2007). These definitions emphasize the willingness of an individual to embrace new opportunities and take responsibility for affecting creative change. Corporate entrepreneurship involves behavioral intentions different from routine practice and describes the employee's entrepreneurial behavior within a stable organization (Antoncic & Hisrich, 2001).

Although the corporate entrepreneurship concept has been studied by many researchers, no consensus on its causes and processes has been reached yet, for which reason corporate entrepreneurship still remains a black box (Glinyanova, Bouncken, Tiberius & Cuenca Ballester, 2021). Additionally, researchers have used different terms to describe entrepreneurial activities within organizations, such as corporate entrepreneurship (Kuratko et al, 2014), intrapreneurship (Antoncic & Hisrich, 2001), and corporate venturing (Miles & Covin, 2002). Thus far, research on corporate entrepreneurship has mainly dealt with defining the phenomenon (Sharma & Chrisman, 2007), the impact on performance (Zahra & Covin, 1995), the factors that encourage corporate entrepreneurship and the characteristics of the organization that nurtures it (Burger & Blažková, 2020), the role of managers as facilitators (Burgess, 2013; Cingula, 2013), the measurement of corporate entrepreneurship (Kuratko et al, 2014), and the influence of the other variables that have an indirect or mediatory impact on corporate entrepreneurship (Lumpkin & Dess, 2001).

An important issue in corporate entrepreneurship is its effect on corporate performance. Entrepreneurship is generally considered to have a positive effect on company performance (Mokaya, 2012). Entrepreneurial activity leads to gaining and retention of competitive advantage, regardless of

the industry and size of the organization (Bhardwaj, Sushil & Momaya, 2011). "Entrepreneurial actions help to sustain competitive advantage for firms facing rapid changes in the industry and market structures, customers' needs, technology, and societal values" (Bhardwaj et al, 2011, p. 188). It also increases profitability, long-term survival, growth, and financial stability (Hitt, Ireland, Camp & Sexton, 2001). Yet, even though entrepreneurship is considered to be a driving force in value creation, there are not enough empirical studies on international and national markets regarding the entrepreneurship - performance connection (Kahkha, Kahrazeh & Armesh, 2014).

Many definitions of corporate entrepreneurship explain it as a part of the process of the radical change that revitalizes the company (Glinyanova et al, 2021). D. F. Kuratko, R. D. Ireland, J. G. Covin and J. S. Hornsby (2005) defined corporate entrepreneurship as the process whereby, in association with an established company, an individual or a group of individuals create a new business or instigate renewal or innovation within the current business. According to said definition, strategic renewal (which is concerned with organizational renewal involving major strategic and/or structural changes), innovation (which is concerned with introducing something new to the marketplace), and corporate venturing (the corporate entrepreneurial efforts that lead to the creation of new business organizations within the corporate organization) are all important and legitimate parts of the corporate entrepreneurial process. R. D. Ireland, J. G. Covin, and D. F. Kuratko (2009) claim that corporate entrepreneurship supports the strategic renewal of a company and, therefore, the creation of new businesses, simultaneously improving the existing ones. These definitions of corporate entrepreneurship involve the transformation of stagnant businesses to dynamic activities, a way to re-create economic capabilities, the activation or reinvigoration of the existing organization through risk taking, innovation, and active competition behaviors (Zahra & Covin, 1995) or the rejuvenation and revitalization of the existing companies (Maes, 2004). According to G. G. Dess, R. D. Ireland, S. A. Zahra, S. W. Floyd, J. J. Janney and P. J. Lane (2003), there are four types of corporate entrepreneurship,

namely sustainable regeneration, the rejuvenation of the organization, strategic recovery, and strategic turnaround. Those four categories include the largest number of the forms of corporate entrepreneurship in organizations. Therefore, the essence of corporate entrepreneurship lies in the introduction of innovations through changes in the established business and the established organization (Heinze & Weber, 2016), which means that an integral part of the corporate entrepreneurship process is not only the creation of innovations but also their implementation through planned organizational change. Bearing this in mind, surprisingly little attention has been paid to this part of the corporate entrepreneurship process so far. Despite great ideas and innovations, it is impossible to undertake the entire entrepreneurial endeavor within a company if the organization does not have the capacity to implement these innovations through planned organizational change.

The major activities related to corporate entrepreneurship include opportunity perception, idea generation, designing a new product or another recombination of resources, internal coalition building, persuading management, resource acquisition, planning and organizing (Burger & Blažková, 2020). The key behavioral aspects of corporate entrepreneurship are personal initiative, active information search, thinking outside the box voicing, championing, taking charge, finding a way, and some degree of risk taking (Lumpkin, 2007). D. F. Kuratko et al (2005) outlined the following essential activities: endorsing, refining, and navigating entrepreneurial opportunities through organizational bureaucracies and individual networks, and identifying, acquiring and deploying the resources needed to pursue these opportunities. S. Shane and S. Venkataraman (2000) described the entrepreneurial activity as the discovery, evaluation, and exploitation of opportunities. O. Belousova, B. Gailly and O. Basso (2009) introduced yet another activity as a separate category: legitimation/enrolment, which includes the process of spreading the idea, translating it for organizational members, and joining them to the project network. The activities of corporate entrepreneurship identified so far are not sufficient to describe everything that needs to be done in

order to realize an entrepreneurial endeavor within an established organization. So far, authors have mainly focused on creating innovations, not on their implementation. In order to undertake an entrepreneurial endeavor within a company, it is necessary to implement the planned organizational change that include numerous activities which have not been explicitly mentioned in corporate entrepreneurship theories and models yet. Therefore, it is necessary that the activities included in the planned organizational change models should first be identified, then applied in the context of undertaking an entrepreneurial endeavor within a company.

PLANNED ORGANIZATIONAL CHANGE

Operating in the circumstances of globalization, technological development, political changes, and unforeseen disruptive events such as pandemics and war, modern companies are forced to undergo frequent organizational change. However, organizational change is expensive, risky, and relates to many negative consequences for the organization and its members. Therefore, company management strive to implement these changes quickly and efficiently by approaching them in a planned and deliberate manner, for the reason of which fact many models of planned organizational change have been developed in the literature aiming to assist management in leading the change.

Planned organizational change represents a special type of changes in organizations that occur as a result of the conscious, planned efforts made by the organization's management. They are different from spontaneous organizational change that happens in every organization at every moment, regardless of the will and intentions of the management themselves. Planned organizational change may encompass very different changes in terms of the cause, content, and type of changes themselves (Janićijević, 2008). According to the cause, changes can be organizational adaptation, i.e. changes caused by the external factors that impose the need for the organization to adapt, on the one hand, and organizational development,

namely changes caused by internal factors, on the other (Maes & Hootegeem, 2019). From the point of view of content, planned organizational change includes changes in the formal, hard components of the organization (its structures and systems), on the one hand, and the informal, soft components of the organization (its leadership, culture, human resources), on the other. Finally, the criterion of the type of change implies that planned organizational change can include continual changes (incremental, partial, evolutive) and discontinuous changes (radical, comprehensive, revolutionary) (Vrcelj, 2023). Planned organizational change is always led by an individual or team acting as the change agent: someone who operationally plans, leads, and controls the change process (Janićijević, 2008).

The key issue in the field of planned organizational change is certainly the change process, or the activities that management need to perform in order to successfully implement changes. The planned organizational change models that have been developed in the literature differ precisely in the steps, or groups of activities that should be undertaken in a specific order to successfully implement planned organizational change. The literature identifies many planned organizational change models (Siddiqui, 2017; Teczke, Bspayeva & Bugubayeva, 2017; Stouten et al, 2018; Rosenbaum, More & Steane, 2018; Maes & Hootegeem, 2019; Vrcelj, 2023). According to one of the best reviews of planned organizational change models (Stouten et al, 2018), the most cited models in the Web of Science and the most googled models are: 1. the Six-Step Model by M. Beer, R. A. Eisenstat and B. Spector (1996), 2. J. P. Kotter's (1996) Eight-Step Model, 3. A. Judson's (1991) Five-Stage Model, 4. the Ten Commandments Model by R. M. Kanter, B. A. Stein and T. D. Jick (1992), 5. Appreciative Inquiry (Cooperrider & Srivastva, 1987), and 6. the ADKAR Model (Hiatt, 2006), only to add to the aforementioned models D. A. Nadler's (1997) Twelve-Action-Step Model and the Ten-Key Model by J. Pendlebury, B. Grouard and F. Meston, (1998).

Even a cursory review of these planned organizational change models implies that they are similar and largely overlapping, which is because they are all

based on the same model, namely Lewin's "unfreezing – move – refreezing" model. K. Lewin's seminal work (1952) laid the foundations for all the subsequent thoughts of what the planned organizational change process should look like. The relative similarity of all the mentioned planned organizational change models enables their synthesis, and it has been concluded in this paper that all the activities that management should undertake in order to implement planned organizational change may be grouped into seven large groups representing the phases or steps in the planned organizational change process, namely 1. the creation of the awareness of the necessity of changes; 2. the vision creation and communication; 3. preparing for changes; 4. change implementation; 5. change facilitation; 6. change institutionalization; 7. monitoring changes. These groups of activities are chronologically arranged although their overlapping is possible. All the identified groups of activities can be grouped into the three basic phases of Lewin's change process. The creation of the awareness of the necessity of changes, the vision creation and communication, and preparing for changes belong to the unfreezing phase in Lewin's model. In Lewin's move phase, two groups of activities are performed: change implementation and change facilitation. Finally, Lewin's refreezing phase includes two groups of activities: change institutionalization and monitoring changes.

The first step in planned organizational change pertains to the creation of the awareness within the organization of the fact that changes are necessary, which breaks the inertia within the organization and creates conditions for change to actually begin. A good number of the authors of these planned organizational change models have included some of the activities that belong to this group in their respective models. J. P. Kotter (1996) explicitly emphasizes the importance of the need to create and spread awareness in the organization that changes are not only necessary but also urgent. A similar thing happens in the ADKAR model (Hiatt, 2006). The essence of the step is breaking away from the past (Kanter et al, 1992), which indicates the fact that, above all, these activities should lead to change in the organizational members' consciousness, i.e. in their mental schemes. According

to the planned organizational change models, this initial activity of change occurs through the analysis of organizational problems and/or perceiving the chances and opportunities that require change (Stouten et al, 2018).

The second step in the unfreezing phase is the vision creation and communication. Once the fact that changes are necessary has been understood as such in the first step, the second step follows, requiring that the future which to aspire towards should be shaped, which is also a goal of changes. In almost all the models mentioned, there are certain activities that belong to this group. Thus, D. L. Cooperrider and S. Srivastva (1987), M. Beer et al (1990), J. P. Kotter (1996), J. Pendlebury et al (1998), J. M. Hiatt (2006), as well as J. Stouten et al (2018) explicitly state that, in this step, it is not only necessary to shape a clear and compelling vision, but it is also essential that the vision should be communicated throughout the organization. This second part, which relates to the vision spreading, is critical since no change will successfully be made if the vision remains in the leader's head or top managers' heads.

The third step in the unfreezing phase pertains to preparing for change and consists of the four basic tasks that need to be performed by the change agent. The first task involves planning changes and establishing the structure necessary to implement them, thereby removing obstacles to change (Judson, 1991; Kanter et al, 1992; Kotter, 1996). Then, it is necessary to secure political support for changes not only from the leaders but also from all those who have the power in the organization. The largest number of

the planned organizational change models contain the activities that handle power because power is both an active and a passive element of changes (Kanter et al, 1992; Kotter,1996; Nadler, 1997; Pendlebury et al, 1998; Stouten et al, 2018). Power is an active element of change because the change agent must have the power to implement changes. On the other hand, it is also a passive element because those who have the power in the organization can either facilitate or block changes. The next task in preparing for change is motivating for change to ensure sufficient energy for its implementation (Pendlebury et al, 1998; Hiatt, 2006; Stouten et al, 2018). Finally, it is not enough to just motivate the organization's members for change, but it is also necessary to ensure that they have enough knowledge of and abilities to carry out changes (Hiatt, 2006; Stouten et al, 2018).

The second, move phase of the change process according to Lewin is the process in which changes are executed. It encompasses two groups of activities according to the cited models of planned organizational change. The first is the implementation of changes and includes the direct activities that operationalize changes. All the selected planned organizational change models contain some form of this activity. They consist of change operational planning and their implementation to follow. Along with these, J. P. Kotter (1996) adds achieving quick initial successes and the further strengthening of changes based on those successes. The second group of the activities in the move phase imply that, during the implementation, change facilitation is also performed, which includes change communication,

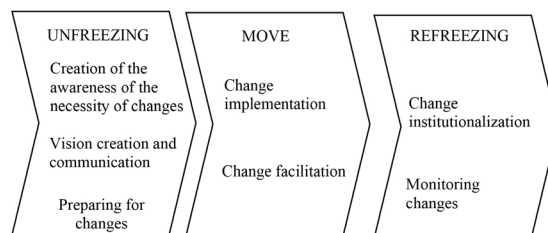


Figure 1 The planned organizational change process

Source: The author's synthesis based on the chosen planned organizational change models.

following and reinforcing the change process (Kanter et al, 1992; Nadler, 1997; Stouten et al, 2018).

In the third phase of the change process called the refreezing phase, the organization stabilizes after the changes have been implemented through the two groups of activities. Change institutionalization implies their incorporation in the organization's culture to ensure change sustainability. These activities are included in all the mentioned planned organizational change models. Moreover, at the very end of the process, it is necessary to perform the monitoring and control of the implemented changes, which further reinforces them (Beer et al, 1990; Judson, 1991; Kanter et al, 1992; Nadler 1997).

INTEGRATING PLANNED ORGANIZATIONAL CHANGE IN CORPORATE ENTREPRENEURSHIP

Corporate entrepreneurship involves initiating and implementing an entrepreneurial endeavor within the existing organization that innovates products, processes, the market approach, and organization. For this reason, planned organizational change must be an integral part of the corporate entrepreneurship process. Understanding corporate entrepreneurship is not complete if, apart from the sources and effects of innovations, it does not include the process through which they are realized through an entrepreneurial endeavor within the organization (Güven, 2020). The knowledge of organizational change the researchers have gained is believed to potentially be very useful at both the theoretical and the practical levels in the corporate entrepreneurship field. The activities, steps, and phases of planned organizational change should be viewed as a part of the corporate entrepreneurship process. These activities and steps should serve as practical guidance for internal entrepreneurs on how to implement their entrepreneurial ideas in practice. No matter if they may be individuals or groups, internal entrepreneurs must be seen as the agents of change who should carry out the entrepreneurial innovation process, as well as any change, as efficiently as possible. To be able to do so, it is useful

for them to be familiar with the basic activities of planned organizational change identified in the appropriate models.

The previous synthesis of the activities, steps, and phases of the planned organizational change process is a useful basis for expanding the theory and practice of corporate entrepreneurship. In doing so, the specificity of changes being implemented in corporate entrepreneurship must be taken into account and the activities of planned organizational change must adapt to it.

The vision creation and communication are commonly the second activity or step in the planned organizational change process (Phillips & Klein, 2023). However, the entrepreneurial innovation realization process starts precisely from creating a vision; so, in the case of implementing changes in corporate entrepreneurship, it is actually the first activity. An internal entrepreneur creates a vision through his business innovation which he devises and proposes. It is very important that this vision is clear and understandable to everyone in the organization. Therefore, it should be formulated in the way and using the language that can be understood by all or the largest number of the people in the company. The vision must be desirable and attractive, as well as realistic, so that it is perceived as feasible. As an agent of change, an internal entrepreneur must somehow formalize his vision, most likely through a formal proposal of the entrepreneurial project that will be offered to the company's management. Also, communicating the vision places a task before the internal entrepreneur to devote himself to active communication with all the members of the organization, not just with its management. Communicating the vision must be performed not only through the vertical channel, but also through the horizontal channel. In addition, the rule "the more, the better" applies, which means that it is necessary to provide as much information about the vision as possible, in as many ways and in as many places as possible. All the available communication channels should be used. In communicating the vision, the internal entrepreneur should use the principle of repetition, i.e. to repeat the same information several

times. In communicating the vision, the internal entrepreneur should use metaphors, analogies, and the like.

Creating the awareness of the necessity for change can be a very challenging activity for the internal entrepreneur as an agent of change (Janićijević, 2008; McFee, 2023). When changes are introduced in an organization suffering a crisis, it is quite easy to create the awareness of the necessity of change, in which case, the emerging signs of a crisis such as, for example, a decrease in performance, a loss of resources, or strikes make the employees and managers of the company quickly become aware of the need for change. However, corporate entrepreneurship involves changes that are most often not caused by a crisis, a decrease in performance, or problems in the functioning of the organization. These changes are driven by the entrepreneurial initiative and ideas on how to improve the business and performance of the otherwise successful organization, which makes it a more difficult task for the internal entrepreneur as an agent of change. It can be accomplished by merging this change implementation activity with the previous one and continuing from it, or by communicating the necessity of bringing the vision to reality. Since one cannot rely on the threat of a crisis and the company's downfall, the internal entrepreneur must strengthen the awareness of the necessity for changes in the company using the arguments of the advantages that the bringing of their vision to reality will bring. Therefore, after creating the vision and while communicating it to employees and managers, it is necessary to emphasize the necessity of seizing the opportunities that the realization of the vision provides and the threats if this vision is not realized. Hence, the vision communication process must aim not only to acquaint employees and managers with the entrepreneurial innovation, but also to acquaint them with the reasons why its realization is necessary and what opportunities the company misses if it is not realized.

An internal entrepreneur should prepare himself for change by securing political support for the internal entrepreneur's visions and innovations (Kotter, 1996; Phillips & Klein, 2023). It is essential

to gain the support of the leader, as well as of all the other powerful groups within the organization. If this fails, the entrepreneurial project will not be implemented. Securing the acceptance of the entrepreneurial project by the top management and powerful groups within the organization should transform the entrepreneurial idea into an officially approved entrepreneurial project and the internal entrepreneur into an agent of change with sufficient power to implement the changes that would enable the implementation of the accepted project. This activity involves political activities through exerting the power and influence of the internal entrepreneur and requires the internal entrepreneur to have certain political abilities and skills. As an agent of change, the internal entrepreneur must have the ability to exert influence in all three directions: downwards – towards the subordinates at the lower hierarchical levels, horizontally – towards the colleagues at the same hierarchical level, and upwards – towards the managers at higher hierarchical levels. Only in this way can the internal entrepreneur ensure that his entrepreneurial endeavor will be accepted throughout the organization. In addition to support and acceptance, internal entrepreneurs need to also ensure their employees' and managers' motivation to participate in the implementation of the entrepreneurial innovation (Güven, 2020). Motivating employees and managers to accept changes can be conducted in two ways: by developing dissatisfaction with the current state of the company (the stick) and by developing positive expectations from the changes (the carrot). The internal entrepreneur should focus on the latter motivation method since, unless the company is in crisis, it is not realistic to achieve motivation by using the first method. As in the previous two activities, in order to motivate colleagues to accept changes and engage themselves in them, the internal entrepreneur must communicate intensively throughout the organization. The final task in this group of activities is building the employees' and managers' knowledge and abilities needed to implement the innovations (Phillips & Klein, 2023), which is a very difficult task for the internal entrepreneur since they do not have formal authority over the human resources development

process. Therefore, the internal entrepreneur can influence other managers and employees in the company only by setting an example of their own.

When change implementation, i.e. the realization of an entrepreneurial endeavor, is concerned, the internal entrepreneur as an agent of change must undertake activities for change operational implementation (McFee, 2023). The internal entrepreneur must perform the role of the project leader and carry out all the activities this role entails. The operationalization of an innovation project requires operational planning and preparation, as well as execution, during which the internal entrepreneur monitors, directs, and controls the activities of all the project team members (Pendlebury et al, 1998). If the changes implied by the implementation of entrepreneurial innovation are comprehensive and radical, it is very likely that their implementation will require the forming and operating of multiple project teams. In this case, the internal entrepreneur could perform activities related to the coordination of the work of several project teams, as well as monitoring and controlling their work. The extent to which the internal entrepreneur is engaged as the agent of change in this phase depends on the breadth and depth of the changes that the undertaking of their endeavor requires. The challenge for the internal entrepreneur could be the authority required to effectively lead and coordinate the work of operational teams for implementing changes. Therefore, it is necessary to ensure the full support of the top management of the organization in the previous phase.

Change facilitation implies that, during the implementation of changes, it is essential for the agent of change to act as the change facilitator (Güven, 2020). This role entails three basic tasks. First, the internal entrepreneur must monitor the implementation of changes and have information about the project status at all times. Second, in the role of the change agent, the internal entrepreneur must remove difficulties and empower participants in the implementation of his entrepreneurial endeavor. In other words, the internal entrepreneur must solve the problems that arise during the implementation of changes. Third, the internal entrepreneur must

communicate changes during their implementation. The internal entrepreneur must communicate the flow of changes, the achieved effects of changes, as well as the expectations regarding the timeline and the final outcome. Communication is directed both to the company's top management as the main sponsor of the project and all the company's employees and managers. In collaboration with top management, the internal entrepreneur should also ensure the dissemination of information about the entrepreneurial endeavor to the interested external public.

The institutionalization of changes triggers the process of their consolidation or refreezing (Janićijević, 2008). For changes implemented through entrepreneurial innovation to be sustainable, they must be aligned with the company's organizational culture. As a set of assumptions, values, norms, and attitudes shared by the organization's members, culture significantly shapes their thinking and behavior (Janićijević, 2013). If the implementation of entrepreneurial innovation introduces novelties in the company's operations that require its employees and managers to work in a way that is inconsistent with their existing values and norms, they will enter a state of cognitive dissonance, which is a very uncomfortable and frustrating state from which employees and managers try to escape by returning to their usual way of working, which is in line with their attitudes and values. If this happens, the changes introduced will be abandoned, i.e. they will be only formal and not substantial. To prevent this, the internal entrepreneur as the agent of change must check whether entrepreneurial innovation conflicts with prevailing cultural values, and if so, he must proceed to change the organizational culture so as to align it with the new business model. This is how the institutionalization of changes is conducted, i.e. how they integrate in the culture of the organization. This task presents a significant challenge for the internal entrepreneur since the process of changing culture is very complex, long, and demanding (Janićijević, 2013). It requires engaging a significant amount of power and an active role of leaders. The internal entrepreneur per se does not have the capacity to change organizational culture to include in it the novelties brought by the entrepreneurial

project. Therefore, to perform this activity, the internal entrepreneur must secure the support and even participation of the organization's leader.

Monitoring changes is the last activity in the entrepreneurial endeavor implementation process. In order to monitor the implementation of the project, the internal entrepreneur should analyze the changes made and control their effects. The internal entrepreneur needs to ensure that the experiences of the implementation of the project are incorporated in organizational knowledge for the future. Also, based on the experiences gained, the internal entrepreneur should update the project or even start a new cycle of changes if monitoring shows that it is necessary.

CONCLUSION

Corporate entrepreneurship involves innovative, proactive, and transformational changes in the company that are the result of the entrepreneurship of individuals and groups within the company itself. As internal entrepreneurs, individuals and groups within the organization create innovations that change the way the company delivers value to consumers. The ultimate effect of corporate entrepreneurship is the creation of new businesses within the existing company and/or the revitalization and regeneration of its existing businesses.

Bearing in mind the fact that corporate entrepreneurship is actually carried out through innovative changes to the existing businesses or the creation of new businesses within a company, it is necessary to include in the corporate entrepreneurship concept the knowledge that researchers in planned organizational change have come to so far. According to the planned organizational change models, it is necessary to include the steps or activities that the internal entrepreneur needs to undertake in order to be able to realize their entrepreneurial initiative in the corporate entrepreneurship concept.

Identifying the activities or steps that internal entrepreneurs should undertake in order to successfully implement changes and realize their

entrepreneurial endeavors is the most important result of the research presented in this paper. These activities or steps or phases of planned organizational change must be an integral part of the corporate entrepreneurship process in order for it to be based on realistic foundations and able to achieve its effects. As the integral components of corporate entrepreneurship, the groups of activities, steps or phases of the change process are: 1. the vision creation and communication, 2. the creation of the awareness of the need for change, 3. preparing for changes, 4. change implementation, 5. change facilitation, 6. change institutionalization, and 7. monitoring changes. By identifying the aforementioned change management activities that must be undertaken in the corporate entrepreneurship project implementation process, the fundamental hypothesis in this research study has been proven.

The key theoretical contribution of this paper reflects in proving the need to expand corporate entrepreneurship theory by including research in organizational change as a legitimate element of the entrepreneurial process within the existing organizations, which is a very promising direction of research that can contribute not only to the development of the corporate entrepreneurship concept, but to the development of the theory of organizational change as well. The key applicative contribution of this paper consists of providing guidance to company management and internal entrepreneurs on how to effectively lead the organizational change process during the implementation of entrepreneurial projects. In addition to these contributions, the paper raises some questions relevant to future research. First and foremost, future studies should deepen the understanding of the methods and techniques for the implementation of the identified activities in the change management process. It is also necessary to investigate the impact of relevant organizational variables on the change management process during corporate entrepreneurship, such as organizational culture and leadership.

The presented research study has its key limitations. The research done is theoretical by nature and lacks

empirical confirmation. Next, the research study has not made a difference between internal and corporate entrepreneurship which, according to some authors, does exist. Finally, only one classification of the planned organizational change models was used, albeit a very credible one. Had a different classification been used, the results might have been different.

REFERENCES

- Antoncic, B., & Hisrich, R. D. (2001). Intrapreneurship: Construct refinement and cross-cultural validation. *Journal of Business Venturing*, 16(5), 495-527. [https://doi.org/10.1016/S0883-9026\(99\)00054-3](https://doi.org/10.1016/S0883-9026(99)00054-3)
- Beer, M., Eisenstat, R. A., & Spector, B. (1990). Why change programs don't produce change. *Harvard Business Review*, 68(6), 158-166.
- Belousova, O., Gailly, B., & Basso, O. (2009, November). *An integrative model of corporate entrepreneurial behavior*. Paper presented at conference Rent XXIII - Research in Entrepreneurship and Small Business, Corvinus University, Budapest, Hungary.
- Bhardwaj, B. R., Sushil, & Momaya, K. (2011). Drivers and enablers of corporate entrepreneurship: Case of a software giant from India. *Journal of Management Development*, 30(2), 187-205. <https://doi.org/10.1108/02621711111105777>
- Burger, L., & Blažková, I. (2020). Internal determinants promoting corporate entrepreneurship in established organizations: A systematic literature review. *Central European Business Review*, 9(2), 19-45 <http://doi.org/10.18267/jcebr.233>
- Burgess, C. (2013). Factors influencing middle managers' ability to contribute to corporate entrepreneurship. *International Journal of Hospitality Management*, 32, 193-201. <https://doi.org/10.1016/j.ijhm.2012.05.009>
- Cingula, M. (2013). Entrepreneurial competence in contemporary management *Economic Horizons*, 15(1), 77-86. <http://doi.org/10.5937/ekonhor1301077C>
- Cooperrider, D. L., & Srivastva, S. (1987). Appreciative inquiry in organizational life. In R. W. Woodman & W. A. Pasmore (Eds.), *Research in organizational change and development* (pp. 129-169). Greenwich, CT: JAI Press.
- Crnogaj, K., & Širec, K. (2014). Employment and value-added contribution of Slovenian high-growth companies (gazelles). *Economic Horizons*, 16(1), 17-30. <http://doi.org/10.5937/ekonhor1401017C>
- D'Angelo, S., Cavallo, A., Ghezzi, A., & Di Lorenzo, F. (2024). Understanding corporate entrepreneurship in the digital age: A review and research agenda. *Review of Managerial Science*, 18, 3719-3774. <http://doi.org/10.1007/s11846-024-00730-8>
- Dess, G. G., Ireland, R. D., Zahra, S. A., Floyd, S. W., Janney, J. J., & Lane, P. J. (2003). Emerging issues in corporate entrepreneurship. *Journal of Management*, 29(3), 351-378. http://doi.org/10.1016/S0149-2063_03_000
- Glinyanova M., Bouncken R. B., Tiberius V., & Cuenca Ballester, A. C. (2021). Five decades of corporate entrepreneurship research: Measuring and mapping the field. *International Entrepreneurship and Management Journal*, 17, 1731-1757. <http://doi.org/10.1007/s11365-020-00711-9>
- Güven, B. (2020). Intrapreneurship in terms of change management. *OPUS International Journal of Society Research*, 16(28), 846-863. <http://doi.org/10.26466/opus.644237>
- Heinonen, J., & Toivonen, J. (2008). Corporate entrepreneurs or silent followers? *Leadership & Organizational Development Journal*, 29(7), 583-599. <https://doi.org/10.1108/01437730810906335>
- Heinze, K. L., & Weber, K. (2016). Toward organizational pluralism: Institutional intrapreneurship in integrative medicine. *Organization Science*, 27(1), 157-172 <https://doi.org/10.1287/orsc.2015.1028>
- Hiatt, J. M. (2006). *ADKAR: A Model for Change in Business, Government and Our Community: How to Implement Successful Change in Our Personal Lives and Professional Careers*. Loveland, CO: Prosci Learning Center Publications.
- Hitt, M. A., Ireland, R. D., Camp, S. M., & Sexton, D. L. (2001). Strategic entrepreneurship: Entrepreneurial strategies for wealth creation. *Strategic Management Journal*, 22(6-7), 479-491. <https://doi.org/10.1002/smj.196>
- Ireland, R. D., Covin, J. G., & Kuratko, D. F. (2009). Conceptualizing corporate entrepreneurship strategy. *Entrepreneurship Theory and Practice*, 33(1), 19-46. <https://doi.org/10.1111/j.1540-6520.2008.00279.x>
- Janićjević, N. (2008). *Upravljanje organizacionim promenama*. Beograd: Ekonomski fakultet Univerziteta u Beogradu.

- Janićijević, N. (2013). *Organizaciona kultura i menadžment*. Beograd: Ekonomski fakultet Univerziteta u Beogradu.
- Jarrel, T. (2017). *Success Factors for Implementing Change at Scale*. New York: McKinsey & Co Presentation, Behavioral Science & Policy Association.
- Judson, A. (1991). *Changing Behavior in Organizations: Minimizing Resistance to Change*. Cambridge, MA: Basil Blackwell.
- Kahkha, A. O., Kahrazeh, A., & Armesh, H. (2014). Corporate entrepreneurship and firm performance important Role of small and medium enterprise. *International Journal of Academic Research in Business and Social Science*, 4(6), 8-25. <https://doi.org/10.6007/IJARBS/v4-i6/916>
- Kanter, R. M., Stein, B. A., & Jick, T. D. (1992). *The Challenge of Organizational Change: How Companies Experience It and Leaders Guide It*. New York, NY: Free Press.
- Kotter, J. P. (1996). *Leading Change*. Cambridge, MA: Harvard Business Press.
- Kuratko, D. F., Hornsby, J. S., & Covin, J. G. (2014). Diagnosing a firm's internal environment for corporate entrepreneurship. *Business Horizons*, 57(1), 37-47. <https://doi.org/10.1016/j.bushor.2013.08.009>
- Kuratko, D. F., Ireland, R. D., Covin, J. G., & Hornsby, J. S. (2005). A model of middle-level managers' entrepreneurial behavior. *Entrepreneurship Theory and Practice*, 29(6), 699-716. <https://doi.org/10.1111/j.1540-6520.2005.00104.x>
- Lewin, K. (1952). *Field Theory in Social Science: Selected Theoretical Papers*. New York, NY: Harper & Brothers.
- Lumpkin, G. T. (2007). Intrapreneurship and innovation. In J. R. Baum, M. Frese, & R. A. Baron (Eds.), *The Psychology of Entrepreneurship* (pp. 237-265). New York, NY: The Psychology Press. <https://doi.org/10.4324/9781315750989>
- Lumpkin, G. T., & Dess, G. G. (2001). Linking two dimensions of entrepreneurial orientation to firm performance: The moderating role of environment and industry life cycle. *Journal of Business Venturing*, 16(5), 429-451. [https://doi.org/10.1016/S0883-9026\(00\)00048-3](https://doi.org/10.1016/S0883-9026(00)00048-3)
- Maes, G., & Hootegeem, G. (2019). A systems model of organizational change. *Journal of Organizational Change Management*, 32(7), 725-738. <https://doi.org/10.1108/JOCM-07-2017-0268>
- Maes, J. (2004). The search for corporate entrepreneurship: A clarification of the concept and its measures", *DTEW Research Report 0429*. Leuven, BE: Katholieke Universiteit Leuven.
- McFee, A. (2023). Unleashing Intrapreneurship: Driving Innovation and Change. *EHL insights*. Retrieved May 30, 2024 from: <https://hospitalityinsights.ehl.edu/intrapreneurship-innovation-driving-change>
- Miles, M. P., & Covin, J. G. (2002). Exploring the practice of corporate venturing: Some common forms and their organizational implications. *Entrepreneurship Theory and Practice*, 26(3), 21-40. <https://doi.org/10.1177/104225870202600302>
- Mokaya, S. O. (2012). Corporate entrepreneurship and organizational performance: Theoretical perspectives, approaches and outcomes. *International Journal of Arts and Commerce*, 1(4), 133-143.
- Nadler, D. A. (1997). *Champions of Change: How CEOs and Their Companies Are Mastering the Skills of Radical Change*. San Francisco: Jossey-Bass.
- Pendlebury, J., Grouard, B., & Meston, F. (1998). *The Ten Keys to Successful Change Management*. London: John Wiley & Sons.
- Phillips, J., & Klein, J. (2023) How practitioners promote organizational change: Contemporary approaches to change management. *Performance Improvement Quarterly*, 36(4), 172-185. <https://doi.org/10.56811/PIQ-22-0047>
- Rosenbaum, D., More, E., & Steane, P. (2018). Planned organizational change management: Forward to the past? An exploratory literature review. *Journal of Organizational Change Management*, 31(2), 286-303. <https://doi.org/10.1108/JOCM-06-2015-0089>
- Shane, S., & Venkataraman, S. (2000). The promise of entrepreneurship as a field of research. *The Academy of Management Review*, 25(1), 217-226. <https://doi.org/10.2307/259271>
- Sharma P., & Chrisman, S. J. J. (2007). Toward a reconciliation of the definitional issues in the field of corporate entrepreneurship. In A. Cuervo, D. Ribeiro, & S. Roig (Eds.), *Entrepreneurship* (pp. 83-103). Berlin: Springer. https://doi.org/10.1007/978-3-540-48543-8_4
- Siddiqui, S. T. (2017). A critical review of change management strategies and models. *International Journal of Advanced Research*, 5(4), 670-676. <https://doi.org/10.21474/IJAR01/3862>

- Stouten, J., Rousseau, D. M., & De Cremer, D. (2018). Successful organizational change: Integrating the management practice and scholarly literatures. *Academy of Management Annals*, 12(2), 752-788. <https://doi.org/10.5465/annals.2016.0095>
- Teczke, M., Bespayeva, R. S., & Bugubayeva, R. O. (2017). Approaches and models for change management. *Jagiellonian Journal of Management*, 3(3), 195-208. <https://doi.org/10.4467/2450114XJJM.17.014.9785>
- Vrcelj, N. (2023) Towards successful organizational change management: New process model identification. *Journal of Process Management and New Technologies*, 11(3-4), 1-15. <https://doi.org/10.5937/jpmnt11-45953>
- Zahra, S. A., & Covin, J. G. (1995). Contextual influence on the corporate entrepreneurship-performance relationship: A longitudinal analysis. *Journal of Business Venturing*, 10(1), 43-58. [https://doi.org/10.1016/0883-9026\(94\)00004-E](https://doi.org/10.1016/0883-9026(94)00004-E)

Received on 21st March 2024,
after revision,
accepted for publication on 29th November 2024.
Published online on 11th December 2024.

Nebojša Janićijević is a full professor at the Faculty of Economics, University of Belgrade. His main areas of research and teaching are organizational design, organizational behavior, change management, and organizational culture. He has published seven books, over 150 articles in domestic and international scientific journals, and has participated in numerous scientific conferences in the country and abroad.