



# Corporate Venturing Research

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# Domains of Corporate Development

The diagram consists of three overlapping circles. Two black circles are positioned at the top, labeled 'Alliances' and 'Acquisitions'. A third, orange circle is positioned below them, labeled 'Corporate Venture Capital'. The circles overlap in the center. The background features a faint, stylized sunburst pattern.

**Alliances**

**Acquisitions**

**Corporate  
Venture  
Capital**

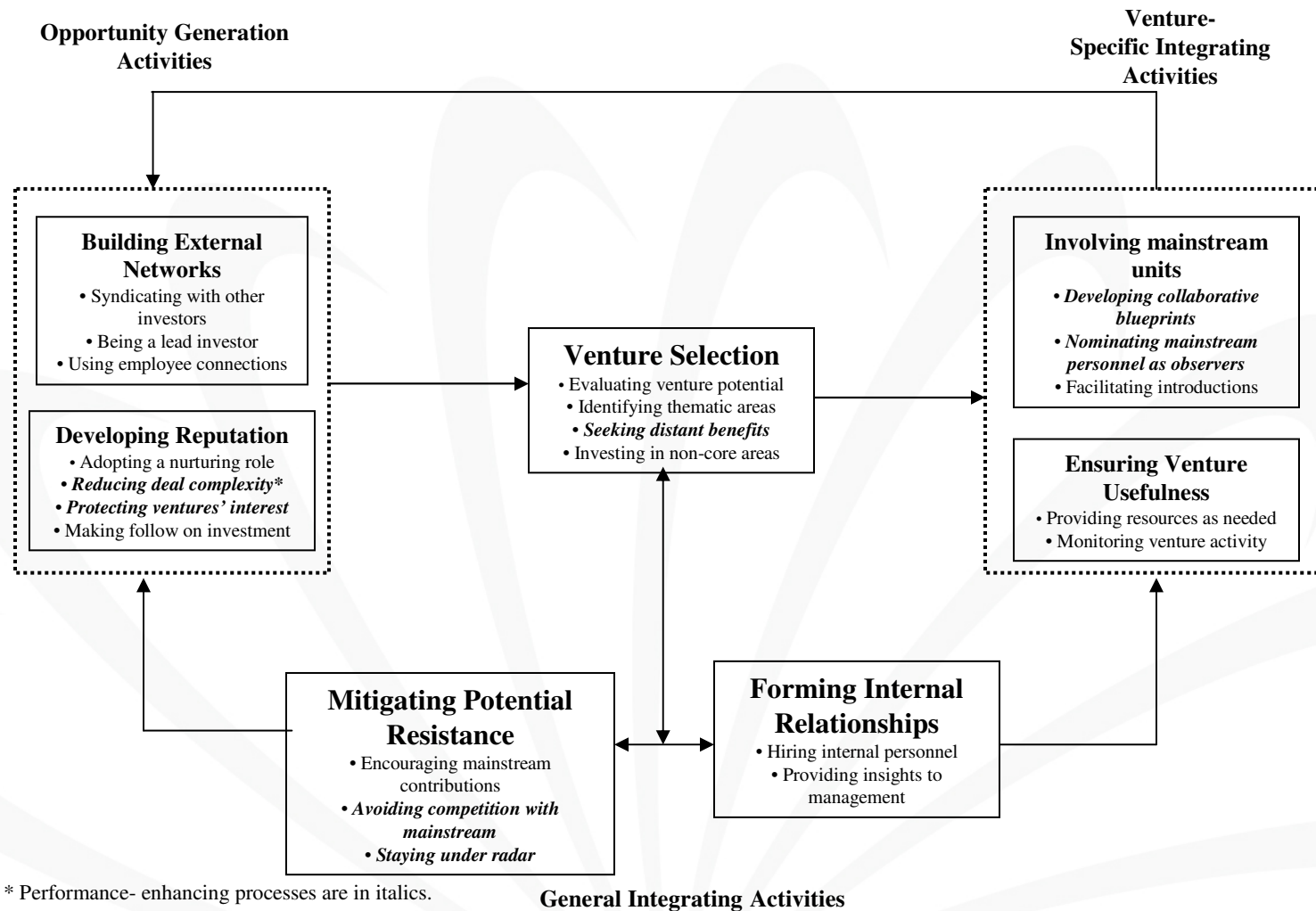
# The Questions I Ask About Corporate Venturing

- Antecedents
  - *When do firms pursue CVC?* (w/ Basu, Kotha)
- Effects on investor innovation
  - *When does CVC lead to exploratory innovation?* (w/ Wadhwa, Kotha)
- VC syndication networks
  - *When do IVCs partner with CVCs?*
    - The evolution of CVC network position
  - *How does CVC network position affect CVC behavior and investment opportunities?*
    - Reputation as enabler and constraint
- Relationship w/ other external venturing modes
  - *When does a CVC relationship lead to alliance or acquisition?* (w/ Wadhwa)
  - *When does a prior CVC relationship influence alliance and acquisition performance?*
  - *How do firms choose among CVC, alliance and acquisition?*

# Focal Project

- CVC unit performance
- ***How do exploratory subunits achieve ambidexterity?*** (w/ Basu, Kotha)
- Motivation: challenges of “dual structures” approach to ambidexterity
  - Exploratory subunits need to leverage mainstream resources
    - Difference in org design elements between exploratory unit and mainstream created problems
  - Mainstream needs to leverage exploratory learning of exploratory unit
    - Often unwilling or unable to do so
- Inductive process study
- Multiple case design
  - 13 active CVC units, 4 recently disbanded units
- Data
  - Semi-structured interviews w/ senior managers
  - Archival sources: press articles, press releases, 10Ks, unit websites, patent data
- Qualitative analysis
  - Open, axial and selective coding of case data
  - Cross-case analyses

# A Model of Exploratory Unit Ambidexterity



# High Level Insights

- **Effective exploratory subunits pursue ambidexterity**
  - Adopt many search and integration processes at own discretion
  - Largely independent of corporate-mandated structure and motivation
- **Processes enhancing ambidexterity are often complementary**
  - While trade-offs exist between org design elements tuned for exploration vs. exploitation, we identify some that are complements
- **Integration is a multidimensional and multilevel activity**
  - Involves acceptance of general subunit activity, recognition of the value of specific opportunities, and willingness to extend critical resources
  - Involves multiple levels within organization
    - Strategic vs. tactical integration