Meeting the Challenge of Corporate Entrepreneurship: The Entrepreneurial Employee Activities among Micro, Small, and Medium Enterprises in the Philippines

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Abstract: Corporate entrepreneurship is a phenomenon that can occur in different organizational contexts as a result of the entrepreneurs’ need to build a team with complementary skills and talents. The Global Entrepreneurship Monitor (GEM) gathered data using Entrepreneurial Employee Activity (EEA) comprised of three sources: Potential entrepreneurial employees are those who take supporting roles in the development and implementation of new ideas and activities for their employers; Entrepreneurial employees who are involved as leaders in idea development or new entrepreneurial activity for their employers and Entrepreneurial employees who are involved as leaders in the preparation and implementation of these new ideas and activities. Previous GEM reports measured EEA rate according to broad and narrow definition (GEM Carribean Regional Report, 2011). The broad definition included all the employees who in the past three years were actively involved in leading roles developing ideas as well as those employees taking leadership roles in the preparation and implementation of these ideas. The narrow definition refers only to the employees who are currently developing and entrepreneurial activity within his organization. Employee entrepreneurial activity in the Philippines is low. Only 6.2% of those working full-time and 11.64% are involved in new activity development for the firm they are working with. A minimal 1.38% (full-time) and 2.59% (part-time) take lead roles in idea development, preparation and implementation. The low EEA in the Philippines can be attributed to the low level of innovation among firms in the country. As a result of the existing shortage in the pipeline of employees taking on leadership role in entrepreneurial activities in their respective companies, micro-level strategy such as balancing old and new way doing things is recommended. New businesses should be nurtured through a series of balancing acts that combine entrepreneurship and disciplined management, short- and long term thinking, and established and new processes. Corporations must perform balancing acts in three areas: strategy, operations, and organization. (Garvin & Levesque, 2009)

As for needed government intervention, coordinated support creates the foundation for entrepreneurial success, which is a key driver for economic growth. To achieve maximum effect, such coordination efforts should take place among a range of stakeholders, such as governments, corporations, entrepreneurs and educational institutions.

Keywords: Corporate entrepreneurship; idea development; entrepreneurial employee activity; business plan; entrepreneurial behavior