
Investigating the Effect of the Corporate Mindset on Innovation Output

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AGENDA

- 1 Literature Review and Conceptual Considerations**
- 2 Conceptual Model and Proposed Relationships**
- 3 Research Methodology**
- 4 Results and Discussion**

THE CORPORATE MINDSET

Venkatraman (1989), Morgan and Strong (2003)

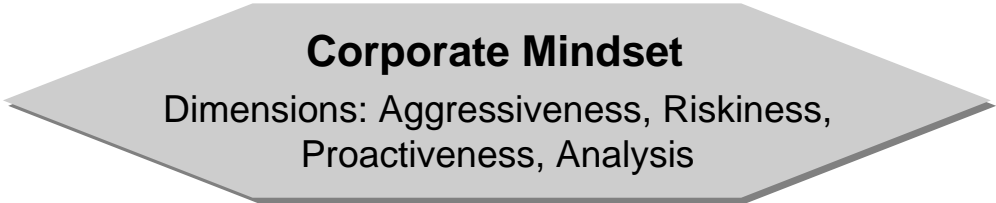
Strategic Orientation as an abstract concept capturing a firm's personality or self-concept, antecedent to specific strategy content.

Strategic Orientation as classificatory approach centering on goal setting, resource allocation & planning activities

Miles and Snow (1978), Hambrick (1983), Miller and Friesen (1986)

Strategic Orientation as combination of e.g. market orientation, technology orientation, employee orientation

Voss and Voss (2000), Noble et al. (2002), Zhou et al. (2005)

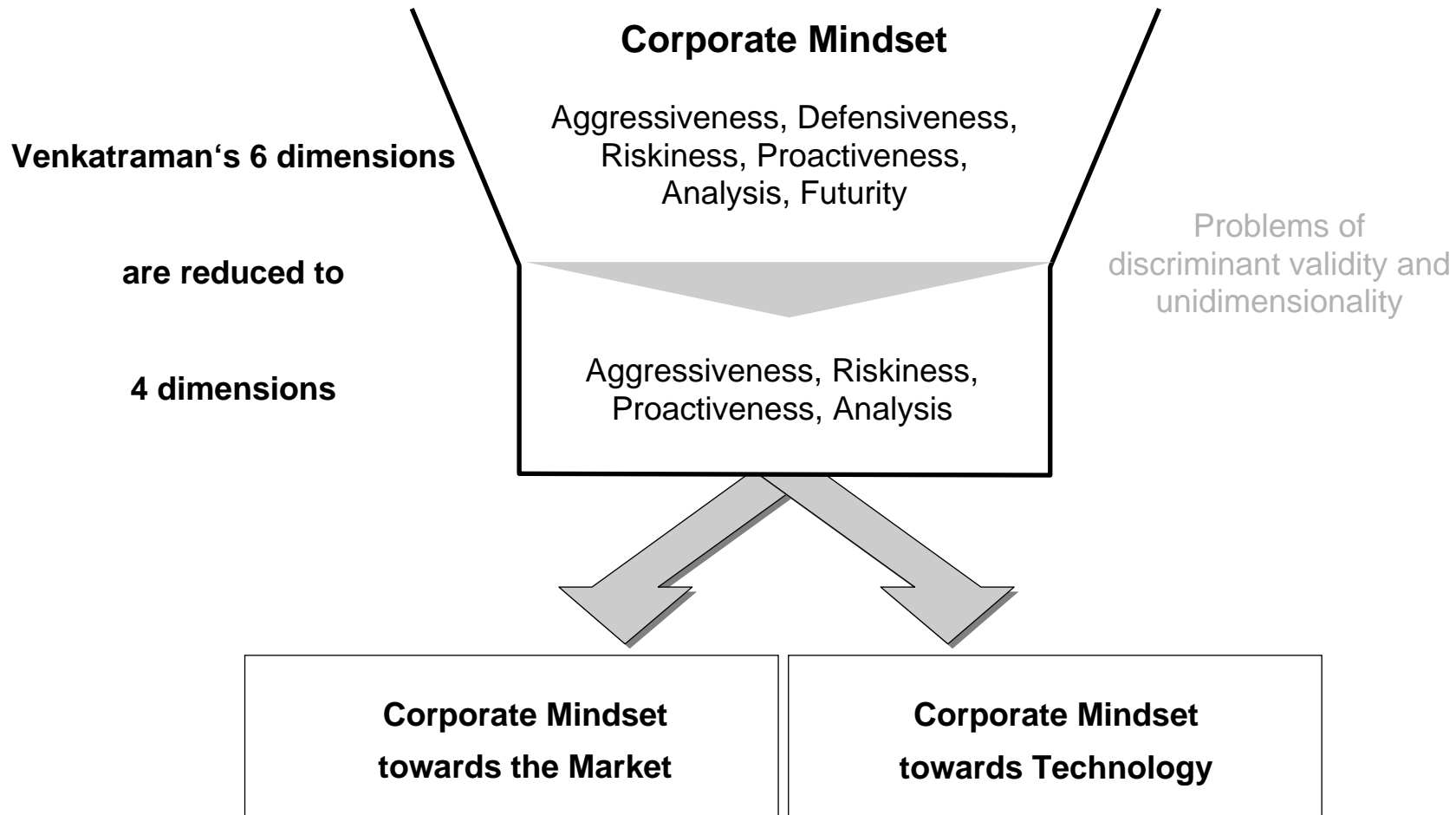


The Corporate Mindset dimensions partly overlap with dimensions of the entrepreneurship orientation construct. Problem of mixing input / output perspective

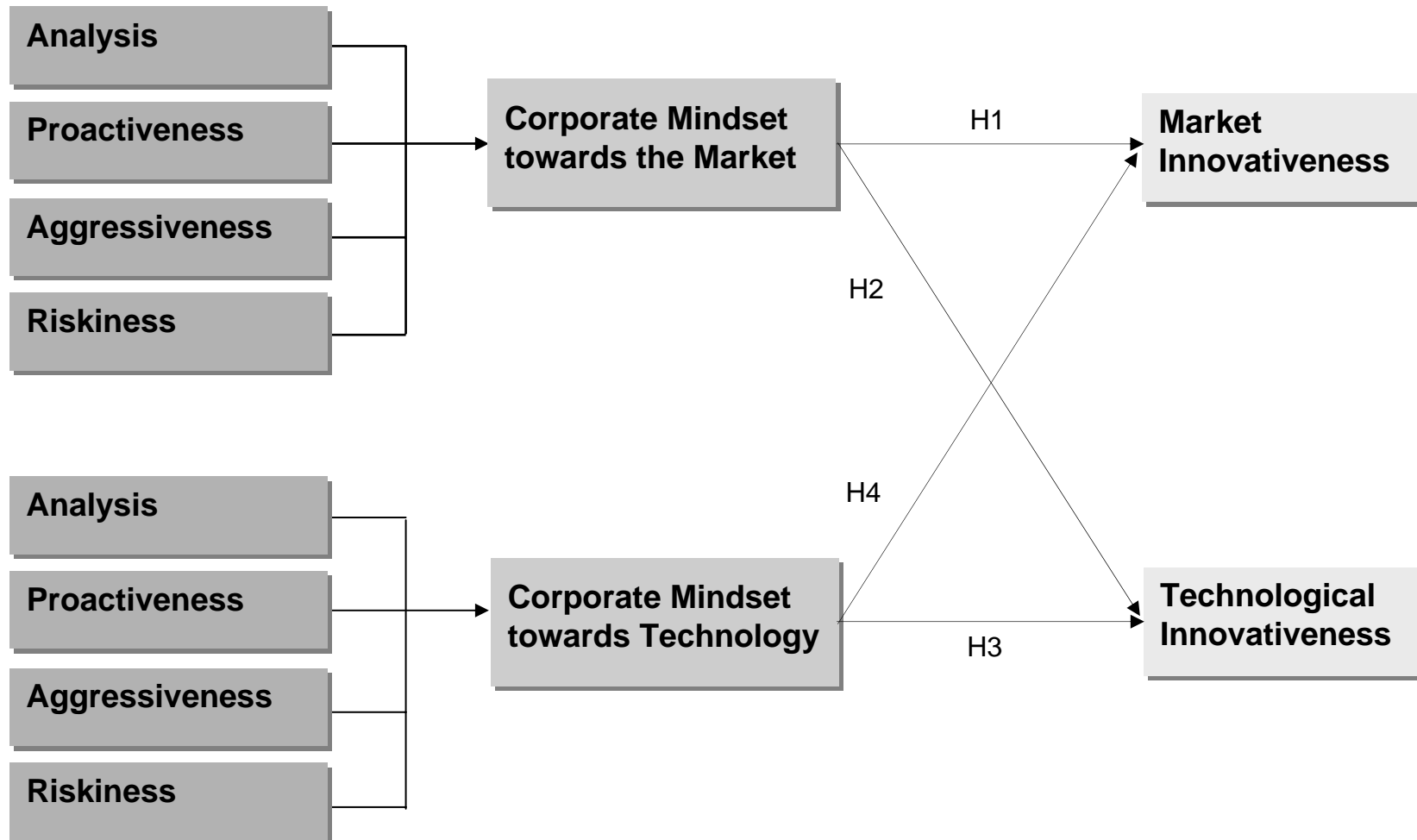
(Covin and Slevin, 1988; Lumpkin and Dess, 1996)



THE DIMENSIONS OF THE CORPORATE MINDSET



CONCEPTUAL MODEL AND PROPOSED RELATIONSHIPS

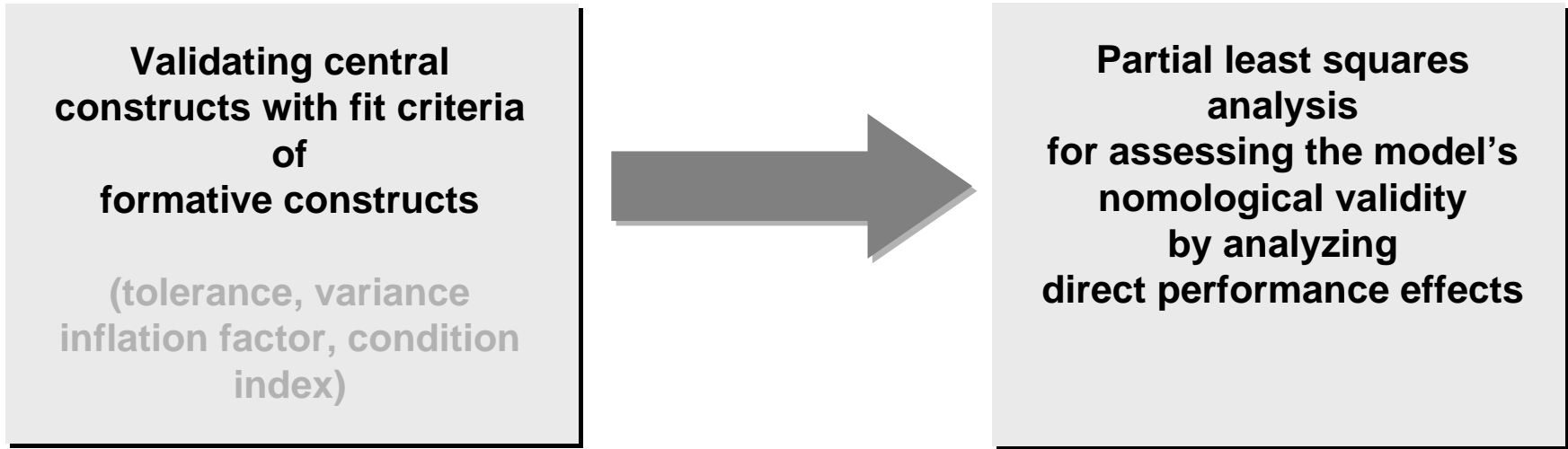


RESEARCH METHODOLOGY – SAMPLE

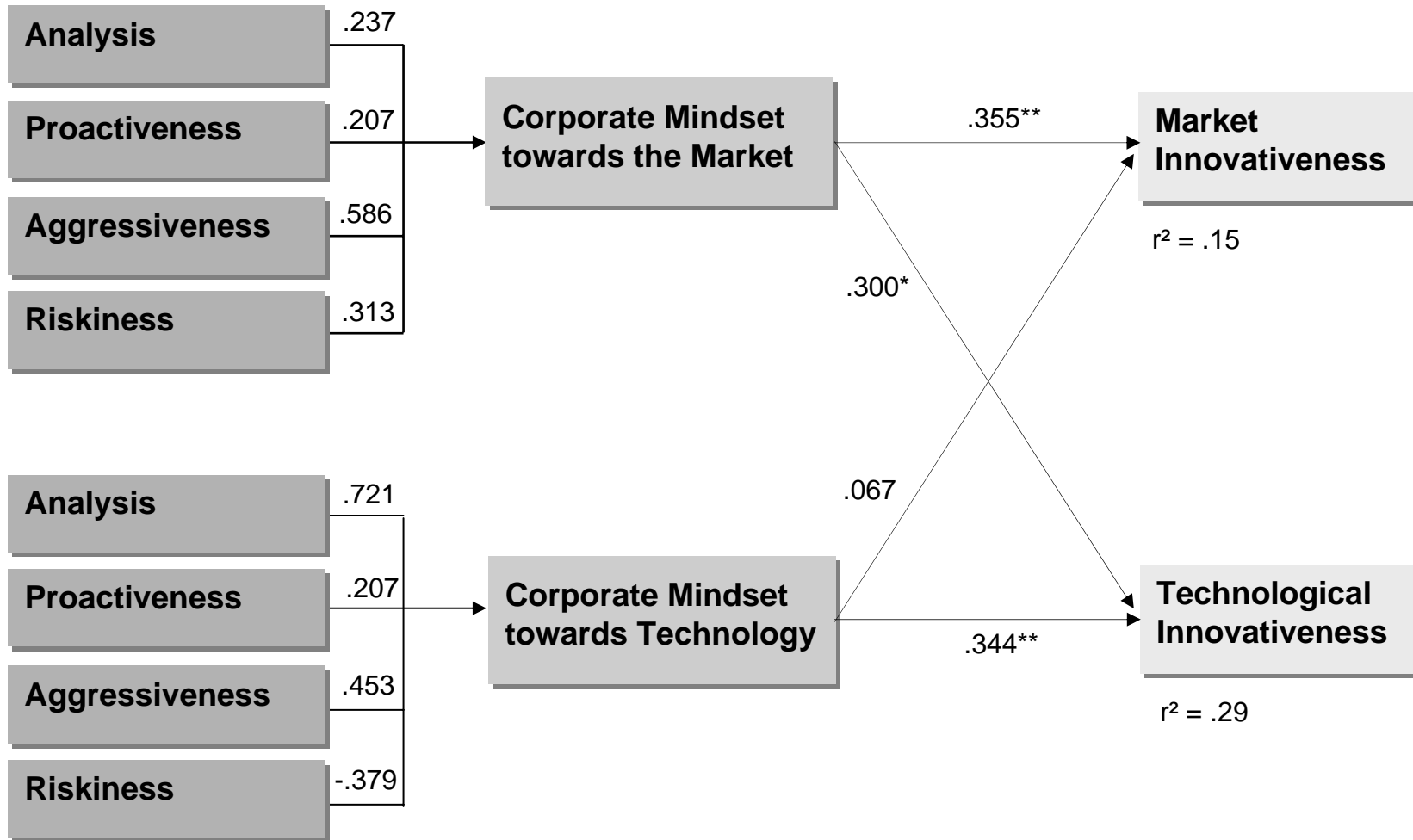


Industry		No. of employees		Sales (Mio. Euro)	
Automotive	9.0%	< 50	29.5%	< 10	30.3%
Mechanical Engineering	20.5%	51-500	20.5%	11-100	19.7%
Materials and Laser Technology	9.8%	501-5000	20.5%	101-1000	22.0%
Communication and Electrical Engineering	20.5%	> 5001	29.5%	> 1001	28.0%
Software Engineering	10.6%				
Chemical and Medical Engineering	15.2%				
Others	14.4%				

RESEARCH METHODOLOGY – EMPIRICAL ANALYSIS



RESULTS OF THE PARTIAL LEAST SQUARES ANALYSIS



* p < .05, ** p < .01

CONTRIBUTION OF THE PAPER

Introduction of the “corporate mindset” as a new firm level antecedent to innovation output, building on Venkatraman’s concept of strategic orientation.

Elaboration of a refined conceptualization and measurement approach
The original 6 dimensions are reduced to 4, a distinction between a technology and a market perspective is introduced, a formative measurement approach is applied to scale development, second order factors are constructed

Empirical support of the main performance effects of the corporate mindset towards the market as well as towards technology implies the concept’s nomological validity/relevance as an antecedent to innovation output.

Construction of second order factors shows that a pronounced analytical, proactive and aggressive posture towards the market and technology drives innovativeness, risk affinity only merits for market innovativeness.

Backup

RESEARCH HYPOTHESES

1 *A corporate mindset featured by high emphasis on analysis and proactiveness, aggressiveness and riskiness towards the market has a positive impact on market innovativeness.*

2 *A corporate mindset featured by high emphasis on analysis and proactiveness, aggressiveness and riskiness towards the market has a positive impact on technological innovativeness.*

3 *A corporate mindset featured by high emphasis on analysis and proactiveness, aggressiveness and riskiness towards technology has a positive impact on technological innovativeness.*

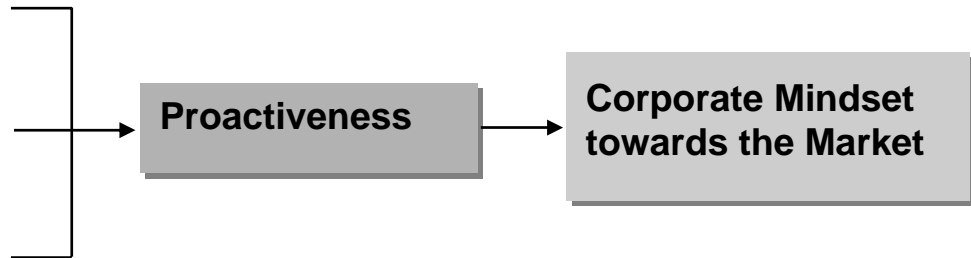
4 *A corporate mindset featured by high emphasis on analysis and proactiveness, limited aggressiveness and controlled riskiness towards technology has a positive impact on market innovativeness.*

MEASURING THE CORPORATE MINDSET

We are usually the first ones to introduce new products or services in the market.

We are constantly seeking new opportunities to extend our target markets.

Operations in later stages of the life cycle are strategically eliminated.

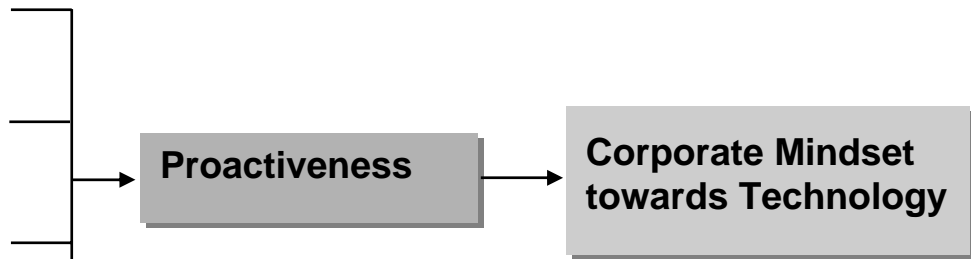


We are usually the first ones to introduce new technologies in the market.

Technologies in later stages of the technology life cycle are strategically replaced by new ones.

We are constantly analysing the appropriateness of new technologies for existing or new products.

Utilising new technologies is of extreme value for us.



STUDY IMPLICATIONS FOR THEORY AND MANAGEMENT

Implications for Theory

Analyze the corporate mindset as antecedent to specific NPD activities

Examine effects influencing the relationship between the corporate mindset and innovativeness, e.g. mediating effects of NPD activities of different stages in the NPD process

Implications for Management

Generate initial awareness for a firm level parameter of relevance for a firm's innovativeness

Strengthen analytical, proactive and aggressive posture towards the market and technology, while handling risk affinity in a differentiated manner