

≈ SUMMARY ≈

THE ENTREPRENEURIAL CONGLOMERATE – A CASE STUDY OF
SERIAL ENTREPRENEURSHIP IN A SINGLE FIRM.

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Principal Topic

Rather than the traditional study of the serial entrepreneur who starts sequential ventures with their second and other ventures as the previous one matures or is sold, this paper presents a case study of a series of entrepreneurial ventures that have been started from discovered opportunities arising from the progressing initial venture.

Through the use of shared resources and the learning accrued from earlier ventures, the firm created six discrete entrepreneurial firms within the parent firm. This paper builds on earlier papers presented at the 1st and 2nd Research Exchanges. A comparative model for entrepreneurial expansion decision making with a firm is proposed that is compared to the Cambridge Technopole cases.

Methodology/Key Propositions

More has been reported about entrepreneurial decision making in the startup a new venture, far less is reported on decision making for serial entrepreneurship. The current cases on serial entrepreneurship approach this as a sequential event rather than this paper which reviews this as a parallel event.

The key proposition is that entrepreneurial activity tends to demand creative responses as the idea matures into a profitable business, and some of this creativity identifies parallel opportunities that are related to the core idea but largely rely on differing customer value propositions. Common resources, shared and leveraged learning from current activities, and entrepreneurial spirit are elements to be considered.

A single case study of a firm over 8 years is the basis of the method. This firm covers veterinary surgery business system, dental surgery business system, owning and operating dental surgeries, Registered Training Organisation for dental chair side assistants, a new patented anaesthetic, retail business system for pet supplies network, prestige limited membership wine collector society, published DIY business development book series for veterinarians and dentists, and veterinary practice ownership; unsuccessful ventures are reported for physiotherapy and female hairdressing.

Results and Implications

Environments in which entrepreneurial activity is already present creates easier start ups as new activity can be marginally costed as existing activity covers overhead cost. The opportunity for these “entrepreneurial factories” to create, advise, guide and manage related or spin off ideas is considerable. However, not all these spin offs were successful despite using common design rules suggesting that some strong obvious personal entrepreneur “success assets” were not as valid or as necessary as initially thought to be.

Critical success factors are reported to include daily collegiate interaction between start up business people and more mature entrepreneurial businesses, access to wider information networks already developed and confidence created from existing success in motivating new start up businesses.

Policy needs to also assist existing entrepreneurs as much as it should for first time, new entrants. The use of the Entrepreneur's Tool Kit (presented at the February 2005 conference) is also reviewed.

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