Refining the Corporate Accelerator:

Understanding the role a Corporate Accelerator can play & its key factors for success

Background & Master's thesis questions

Handset vendor and telecom industries are both experiencing rapid technological development leading to emerging innovations that include VR enabled phones and standalone headsets, wearables, 5G and more! This rapid technological advancement has been fueled by converging forces including Moore's law, software and AI development–on the technology side–and (on the business side) an enormous increase in the amount of VC funds available for investment in startups as well as the proliferation in the number of accelerators launching competing programs to drive startup business and technology development. In fact, much of the key technology enabling so many exciting innovations are coming from such institutions!

Y Combinator was the first Accelerator, launched in 2005 and it proved a highly successful model of business and technology development. Corporate accelerator (CA) programs are popping up as firms are looking to get into the game by replicating this model to create competitive advantages. As all of these institutions are privately held, they do not legally have to disclose information about their structure and this further contributes to the relatively sparse availability of theory on the topic of accelerators and CAs. Such a space provides rich and fertile ground for theory building and empirical research and observation. Thus it should come as no surprise that the independent work put forth by each of us based on our experiences with the firm complements the other while still making standalone observations and conclusions.

How does a firm absorb new methods and technologies that it can use to adapt itself into a firm with an improved absorptive capacity in order to be better at producing the solutions that consumers demand? (Gary Grima)

What does it take to manage a corporate accelerator? (Julia Taconet)

Methodology

The initial focus of the study was on Alcatel's newly created CA. As this subject is currently, rapidly evolving, yet at the same time has some published literature that indirectly applies, the methodology involved was both theoretical, thus we performed literature reviews and article searches, and empirical, thus we conducted interviews with startups and Alcatel employees involved as well as meeting with partners from other open innovation institutions.

Our own experiences iterating and developing the CA was also a rich source of information. The various aspects of this work included the interface of the program with the external community (communication, scouting and selection processes), the program itself (program structure, roles of the accelerator team members, processes & tools, and service offerings) and the interface between the corporate accelerator and Alcatel itself (communication, open innovation culture, pathways to commercialization).

Using what was learned from this methodology, we each focused on different, complementary implications and come to various conclusions.

Conclusions

Among the conclusions is the idea of a firm capability called "Innovation Capacity. Innovation Capacity can be considered a specific form of Absorptive Capacity (ACAP) (Zahra & George, 2002), that applies to a subset of the cases under the ACAP model and is a direct function of ACAP. In this model corporate accelerators are a form of Activation Trigger. "Innovation Capacity is the capability of a company to innovate itself in order to produce more and better innovative solutions." (Gary Grima, 2016).

Our experience at Alcatel enabled the determination of Key Success Factors of a corporate accelerator:

➢ Solid foundation: management support, clear objectives, strategic partnerships

➢ Clear and flexible structure : definition and communication of processes and roles

➢ Accelerator Management Team: communication, innovation and iterations
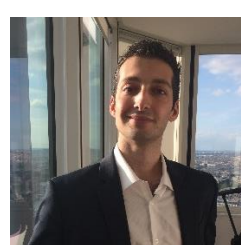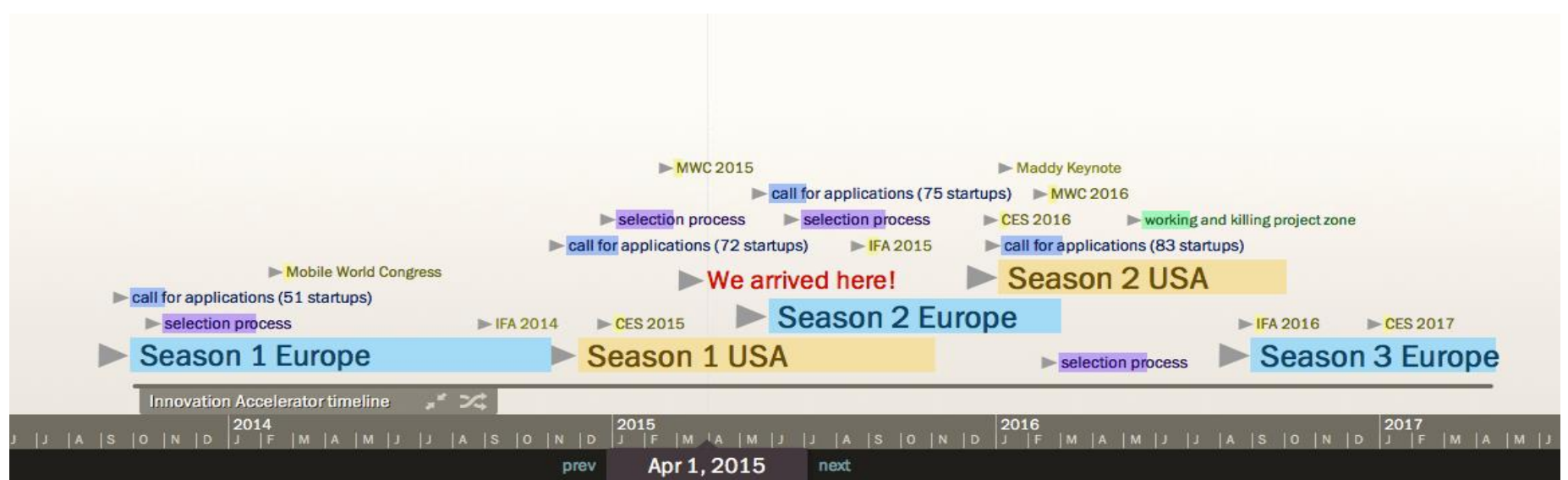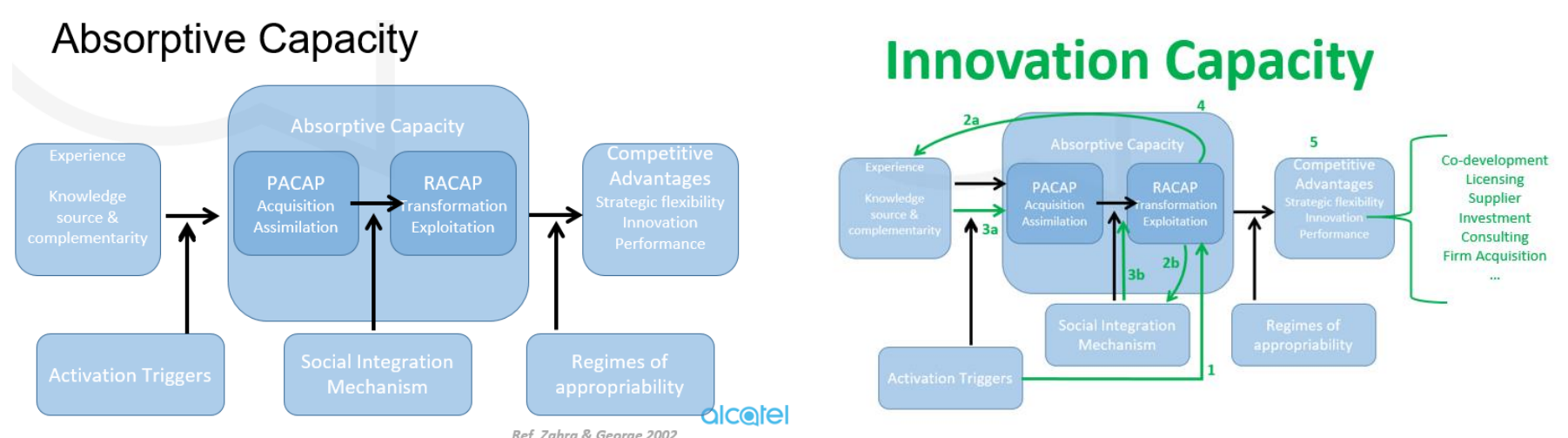
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