

Inducing Strategic Initiatives at a Startup Firm: Understanding the Role of the Co-founding Team

Abstract

I propose to study the process of inducing strategic initiatives at a startup firm. Building on the model of strategy as a process of guided evolution (Lovas & Ghoshal, [2000](#)), I suggest that co-founders at a startup firm induce strategic initiatives by simultaneously influencing variation, retention and selection of ideas, people and projects. Using a comparative case study of Paypal and Billpoint at around the turn of the century, I expect to enrich the Lovas & Ghoshal ([2000](#)) model in the empirical context of the 21st century digital economy.

Keywords:

co-founders, process model, strategic initiatives, variation selection retention

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*I disagree and commit all the time. We recently greenlit a particular Amazon Studios original. I told the team my view: debatable whether it would be interesting enough, complicated to produce, the business terms aren't that good, and we have lots of other opportunities. They had a completely different opinion and wanted to go ahead. I wrote back right away with **"I disagree and commit and hope it becomes the most watched thing we've ever made."** Consider how much slower this decision cycle would have been if the team had actually had to convince me rather than simply get my commitment.*

Jeff Bezos, reflecting on a recent *strategic initiative* at Amazon (Bezos, 2016).

There has been a debate among scholars about whether strategic initiatives are induced or are autonomous. Present the two points of view. In a startup firm, a certain set of things are at play. Therefore one may very well assume that all strategic initiatives are autonomous. If such is the case, how to leaders at startup firms guide the strategic initiatives in the direction of the co-founders' strategic intent?

The tradition of process research applied to strategic initiatives goes at least as far back as Bower (1970). What did Bower do. What did Mintzberg suggest. Quinn. Burgelman 1983. Refer to their main models here (provided in the appendix).

Lead into the evolutionary framing of process models in the variation selection retention framework. Mention Burgelman (1991, 1994); Lovas & Ghoshal (2000); Noda & Bower (1996)

Define strategic initiatives and strategic intent in the variation selection retention framework. Suggest why Lovas & Ghoshal (2000) model is an appropriate one to study the process of inducing strategic initiatives at firms. Suggest without reference that co-founding team at a startup firm execute the role of middle and higher levels of management in larger firms. Refer to characteristics of startup firms without citation.

RESEARCH PROPOSAL

Research Question

Data and Method

What is the sample. Why is it chosen. How is it going to contribute.

Hypotheses

LIMITATIONS

Suggest how this study may help inform the literatures that it is drawing from, and the interesting research avenues it will open up. Discuss level of generalizability.

SUMMARY

Recap and motivate interest in framework, in theoretical value as well as in the particular empirical setting.

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APPENDIX A: CLASSICAL PROCESS MODELS

Insert FIGURE 1 about here.

Insert FIGURE 2 about here.

Insert FIGURE 3 about here.

Insert FIGURE 4 about here.

Insert FIGURE 5 about here.

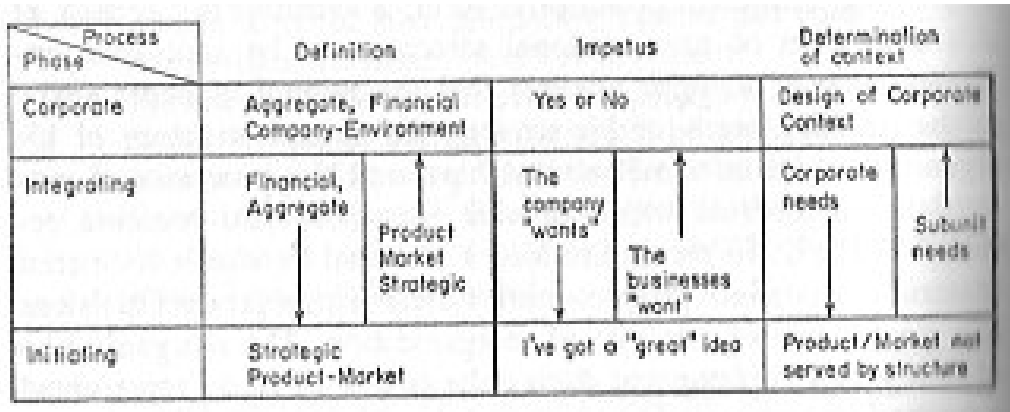
FIGURE 1: The Research Allocation Process, adopted from Bower (1970)

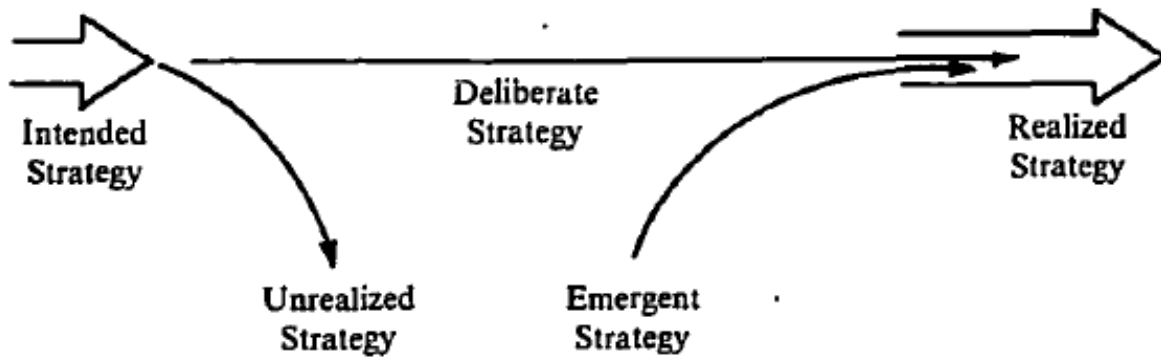
FIGURE 2: Types of Strategies, adopted from Mintzberg (1978)

FIGURE 3: Strategies form in subsystems (involving different people, skills, goals, information, and timing imperatives), adopted from Quinn (1980)

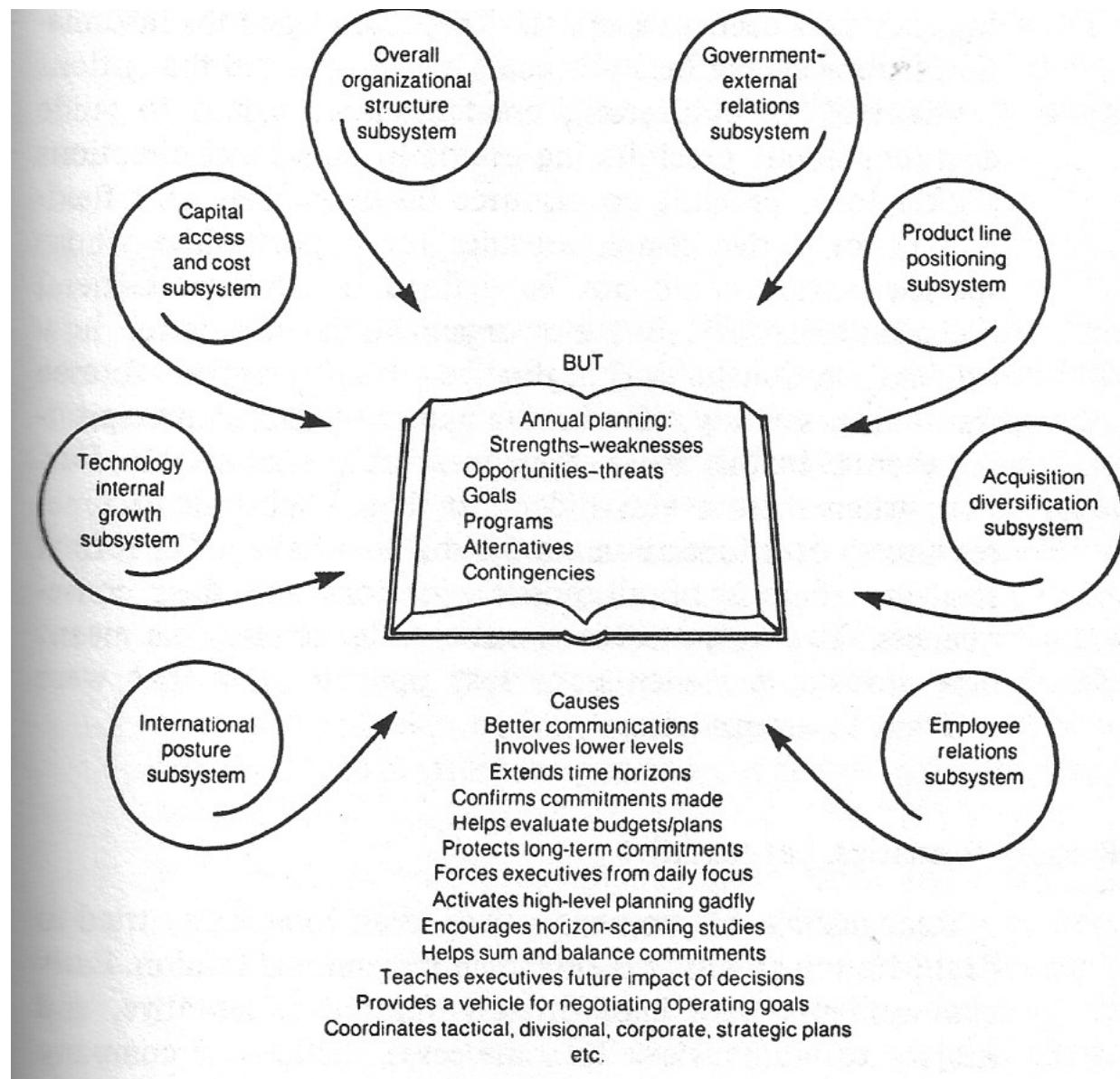


FIGURE 4: Some typical process steps in logical incrementalism (highly simplified to help visualize a few basic relationships), adopted from Quinn (1980)

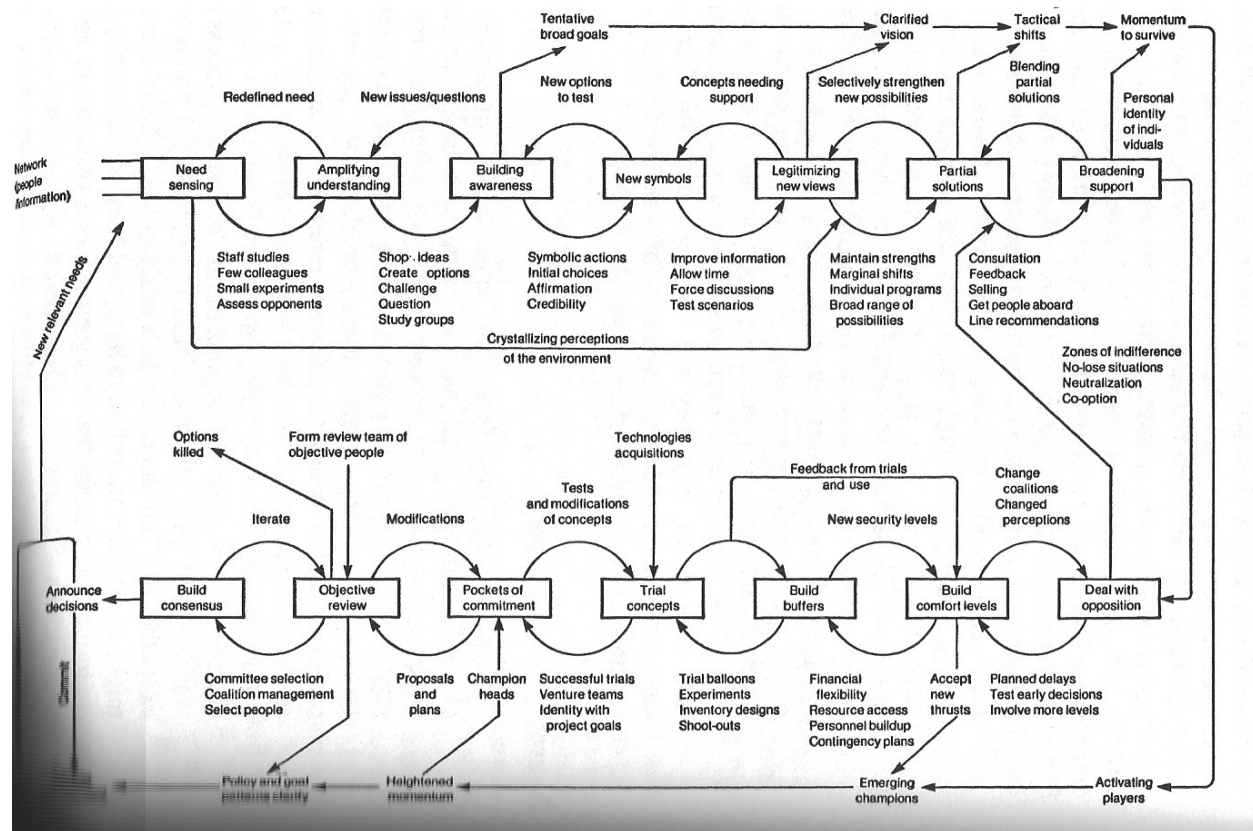


FIGURE 5: Key and peripheral activities in a process model of ICV, adopted from Burgelman (1983)

