## SECTION 1 CURRENT ISSUES OF ECONOMIC THEORY

**UDC 658** 

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## ESSENCE, DIFFERENCE OF TERMS INTRAPRENERSHIP AND EXOPRENERSHIP

Statement of the problem. Strategy of companies in any industry involves the development and improvement process. However, as part of improving their technology perfected base and organizational structure remained unchanged. Further development of the technical basis only, neglecting the management and owners of the enterprise changes in the organizational structure of firms leads to negative consequences.

Analysis of recent researches and publications. It should be noted that the analysis of scientific researches, such as: N. Makre, H. Pinshota, E. Pinshot, D. Chang, D. Neisbita, R. Nilsen, R. Hyzrycha, V. Tomylova, A. Krupanin confirms the need to develop radically new approaches to the formation of the structure of the enterprise, the introduction of new methods of organization.

Statement of the task. The purpose of this study is to determine the nature and analysis of innovation in the process of corporate entrepreneurship.

The successful development and growth of the number of employees in production and can lead to big business syndrome, which is characterized by the following features:

- high level of centralization of decision-making and the resulting insensitivity of peripheral parts of the enterprise;
- the presence of numerous administrative apparatus:
- comprehensive and detailed system of special procedures and forms for the adoption and implementation of the daily decisions of similar problems, high levels of bureaucracy;
- attract more managerial staff, spending work time on meetings to develop and systematization above procedures and decisions:
- frequent delegation of decision-making and responsibility from one structural unit to another [4].

It is made only by the individual, ad hoc attempts to remove institutional obstacles to such enterprises, emerging towards technical progress. In view of the above, there is an objective need to find ways of restructuring, innovation, not only in production technology, but also in the decision-making and implementation.

Intrapreneurship undoubtedly an element of innovation and internal entrepreneurship is exercised within large corporations and aimed at decentralizing decision-making and execution of tasks. Note that the syndrome of big business is not the only prerequisite for the introduction intrapreneurship approaches. An important factor is the need for firms to innovation, aspiration to conquer the market a new product, and to achieve this goal quickly and effectively impossible without restructuring the organizational structure.

The main goal is to improve intrapreneurship production through the promotion and use of creative potential of employees, increase efficiency of resource use, rapid implementation of all possible innovations, opportunities to respond quickly to customer needs.

Neologisms «intrapreneurship» and «intraprener» were introduced firstly Gifford Pinshoto and derived from the two words «antreprenership» (entrepreneurship) and the Latin prefix «intra» (internal). In other words «intrapreneurship» can be interpreted as an internal corporate entrepreneurship.

Intrapreneurship emergence was due to objective tendencies of socio-economic development as it is the dominant social aspects of human motivation. Employees within corporations seek independent activity, implementing their own creative ideas for their employees as part of its organizational structure. In the event that such freedom is not given to them, growing dissatisfaction with the organization, which leads to a decrease in work efficiency and the release of the company capable, highly qualified, prospective employees to start their own business. Tool designed to solve this problem is intrapreneurship. In addition, the implementation of own ideas within the corporation provides significant competitive advantage over small businesses in promoting intrapreneurship product on the market.

An important reason for the growing interest in domestic business is the trend of accelerating scientific and technological progress. The rapid introduction of new technologies makes it possible to obtain a competitive advantage in the future. In large organizations that operate consistently and successfully growing conservatism ignored initiatives are constrained innovative ideas, especially those that are not related to the main business at the time of the emergence of leadership seem insignificant. Sales opportunities intrapreneurship can solve these problems, ensure competitiveness and enables the development and implementation of promising new business areas.

So, all predictors of the development and intrapreneurship can be classified into two main groups:

- social and psychological, caused by the increasing level of education, professional growth, optional employees cultivate the corporation, the desire to realize themselves as independent creative one;
- economic, caused by the need to change the organizational structure, the rapid pace of scientific and technological progress, increased competition.

Intrapreneurship development within the company provides financial, strategic and technological advantages. The financial aspect is manifested in increasing profits and use previously unused resources and capacity. The essence of strategic advantage lies in expanding the customer base and developing new markets. Development and innovation provide technology development.

Thus, corporate entrepreneurship is closely associated with the process intrapreneurship, creating innovation in the organization by employees. The new concept is exopreneurship, which greatly extends the model of corporate entrepreneurship. The bottom line is exopreneurship in purchasing innovations that have been developed outside the organization. Involvement in the implementation of innovation on the part of the acquisition of ideas, speed up the project, provides a higher chance of success, accelerating time to market. Compared to intrapreneurship, exopreneurship creates a variety of choices and consequently raises the possibility to choose the right direction of development. Environmental innovation can be purchased in several ways:

- attracting venture capital funds and small venture firms. These are companies that operate in areas of advanced manufacturing, progress quickly, and in the development of which is intense generational change products and technologies associated with the base innovation. Venture enterprise specializing in research, development, introduction of innovations, the organization of which is associated with an increased risk [1];
- involvement of a strategic alliance. This is cooperation agreement with the merger of capital between firms for joint research, technology transfer, joint use of production capacities to market each other's products, joining efforts in the production of components and assembly. Strategic alliances can help firms in industries with global competition to strengthen its position without losing independence;
- involvement of a subcontractor, that agreement to perform a specific type of work or the provision of services by third-party-owned technology;
- franchising, i.e. transfer contractually set of rights to use the mark for goods and services, processes, specialized equipment, know-how, commercial information and other specified exclusive rights [3].

The common feature of intrapreneurship and exopreneurship is certainly innovative component. However, among the above categories, there are several important differences that should be considered in detail.

- 1. Origins. Prerequisite appearance of intrapreneurship is the appearance of employees willing to work, to create and implement their own ideas with regard to risk factors. The main reason is the emergence of origin exopreneurship companies that own the ideas and technology cooperation which enables more efficient use of resources and accelerates the achievement of the goal.
- 2. Activity. Intrapreneurship the company by creating a new team, a structural unit and research departments by human resources firm. Exopreneurship realized on the basis of partnerships with outside organizations, owners of ideas and technologies. The nature of collaboration is determined by the choice of the implementation mechanism.
- 3. Investing and financing. Intrapreneurship project funded enterprise from the beginning of the idea to release a product to market and achieve break even. Funding for the program exopreneurship depends on the mechanism of cooperation (partial investment attraction, full funding of the project by investing).
- 4. Participation. Implementation intrapreneurship project from the initial stage of the idea to enter the market of the final product is made with only the company's employees and resources that are in his possession. exopreneurship involves collaboration with external partners, with the participation of other organizations may be either minimal or significant.
  - 5. The control of the program intrapreneurship de-

pends on the organization. Overseeing the project is not difficult, because the project is implemented in the structure of the enterprise. Progress of the project exopreneurship difficult to control, because the process involved in at least two firms with different levels of organization and management methods.

- 6. Culture of the organization. Due to the fact that intrapreneurship project is implemented in a company without external interference, to establish rules of procedure and changes in the work are not difficult. Given the involvement of partners having disagreements in progress, reaching agreement can be problematic and time consuming process.
- 7. Mission, strategy. The project is part intrapreneurship strategic goals of the company. Subject to fulfillment exopreneurship partners had partially or completely alter the strategy to achieve a common goal.
- 8. Risk. All risks and responsibility for the results of the project internal business assumes Corporation. Exopreneurship provides diversification of risks between the project participants. With the cooperation of two or more partners, if a negative result, the risk of loss of reputation.
- 9. Reducing the cost and cost-effectiveness in intrapreneurship achieved through the effectiveness of internal control, management of own resources, the absence of expenses for outside organizations. Reduce the cost of introducing a product exopreneurship is due to the use of the comparative advantages of the enterprises involved in the process, that the partners have the opportunity to choose a more efficient way to perform any function under the project [3].

So, intrapreneurship and exopreneurship provided effective implementation is a positive development in the economy. Using these models of corporate entrepreneurship in effective innovation in conservative business processes, with innovations covering not only the technological sphere. The method of implementation of the projects involves changes in the organizational structure of the enterprise, the rational use of labor, intellectual and industrial resources. However, the concept of these categories there are disadvantages, the main limitation is the application – only in some sectors of the production sector in respect of which there is a sufficient number of scientifically based innovation. Therefore, the prospect of research in this area is expected with the development of effective ways clear of algorithm implementation and extension of the range of action, and adaptation programs intrapreneurship and exopreneurship, especially in non-manufacturing industries.

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