Chapter XII

The Business Expansion Process of Applied Research Center (ARC):
Entrepreneurship, Interpreneurship, and Intrapreneurship

José Luis González, Institute of Kompetitiveness & Development,
Orkestra, Universidad de Deusto, Spain

Edurne Loyarte, Vicomtech, Spain

Iñaki Peña, Institute of Kompetitiveness & Development,
Orkestra, Universidad de Deusto, Spain

Abstract

The purpose of this chapter is to describe a real story where key subjects related to a business expansion process of a young IT-based applied research center (ARC) are discussed. More specifically, key theoretical notions will be examined linked to the day-to-day events occurred in ARC. This IT-based organization traced an original expansion trajectory based on the creation of two spin-offs during its infancy period. This chapter highlights general concerns associated with knowledge management
and the capacity of innovation which emerged during the business expansion process. For purposes of this study, these concerns can be classified in three main theoretical areas: Entrepreneurship, Interpreneurship and Intrapreneurship.

Background

Information and Communication Technologies (ICT) Industry

International European Context

After the technology crisis in 1999, the ICT industry boosted during the early years of the current century. According to the European Information Technology Observatory’s report (EITO, 2006), the overall European market of ICT industry reached a value of € 659 billion in 2005 (see Table 1). Europe has become the biggest ICT market, with one third of the total market value worldwide. European ICT firms represent approximately 34% of the world market value, compared to 28% of United States firms, 14% of Japanese firms, and 24% of firms from the rest of the world. Whereas the European ICT industry grew by 3.7% in 2005, the United States ICT sector increased by 3.9% and the Japanese sector by 2.1%.

In a recent report, the European Commission’s Industrial R&D Investment Scoreboard 2006 shows that 18 of the top 50 biggest spenders on R&D and 5 of the 10 companies with fastest R&D growth are from Europe. Most of these companies belong to

<table>
<thead>
<tr>
<th>Regions</th>
<th>2005 value</th>
<th>2004 %</th>
<th>2005 %</th>
<th>2006 %</th>
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</thead>
<tbody>
<tr>
<td>Europe*</td>
<td>659.00</td>
<td>34.1</td>
<td>33.8</td>
<td>33.6</td>
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<tr>
<td>U.S.</td>
<td>545.00</td>
<td>28.2</td>
<td>28.0</td>
<td>28.0</td>
</tr>
<tr>
<td>Japan</td>
<td>287.00</td>
<td>15.1</td>
<td>14.7</td>
<td>14.3</td>
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<tr>
<td>Rest of the World</td>
<td>457.00</td>
<td>22.6</td>
<td>23.5</td>
<td>24.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,948.00</strong></td>
<td><strong>100.00</strong></td>
<td><strong>100.00</strong></td>
<td><strong>100.00</strong></td>
</tr>
</tbody>
</table>

Note: * Europe includes the European Union (EU), Norway, Switzerland, Romania, and Bulgaria
Convergence of Interoperability of Cloud Computing, Service Oriented Architecture and Enterprise Architecture
Susan Sutherland (2013). International Journal of E-Entrepreneurship and Innovation (pp. 43-51).
www.igi-global.com/article/convergence-of-interoperability-of-cloud-computing-service-oriented-architecture-and-enterprise-architecture/81263?camid=4v1a