

Entrepreneurial Strategy Stimulating Value Creation: Conceptual Findings and Some Empirical Tests

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ABSTRACT

Objective: The objective of this article is to offer arguments for the strategic support of entrepreneurial processes that stimulate value creation. Recent findings show that firms concentrate mostly on outcomes and performance, neglecting the primary sources of value creation. As value is created largely from generating innovative ideas, it is important that firms strategically support the process of idea generation with the help of organisational design stimulating innovations, as well as strategic leadership.

Research Design & Methods: The quantitative research using classical theory testing was adopted. Data was collected from organisations in Poland with a questionnaire and PAPI interviews. The data was assessed with descriptive statistics, factor analysis and correlation analysis.

Findings: The research carried out identified four dimensions of the entrepreneurial strategy supporting value creation. The research indicated low but positive relations between strategic dimensions and subjective, non-financial measures of value creation and performance.

Implications & Recommendations: For a higher level of new idea generation and innovativeness it is important to focus on innovation-friendly organisational design and on strategic leadership that stimulates network building for the use of external resources.

Contribution & Value Added: The article offers arguments for the strategic support of innovativeness, it identifies empirical elements of entrepreneurial strategy, and indicates relations between them and non-financial assessment of value creation.

Article type: research article

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INTRODUCTION

The objective of this article is to focus on the role of the strategic support of entrepreneurial processes in organisations that potentially can stimulate value creation. It is argued that the majority of value created in entrepreneurial organisations takes place in the initial stage of innovativeness, i.e. at the level of generating or discovering new, useful, and valuable ideas that may be further turned into innovations and commercialised (Bilton & Cummings, 2010). Yet, efforts are seldom made to discuss creativity processes in organisations at the strategic level. What is more, firms focus on the final result of innovativeness, namely competitive advantage, value creation, financial outcomes and performance (Ronda-Puppo & Guerras-Martin, 2012). This article posits that in order to create more value and to reach above-average performance, organisational efforts could be made to support strategically the processes of generating creative ideas, specifically through the initial phases of innovativeness and strategic entrepreneurship. The article posits that the processes of supporting creative processes in organisations should be strongly connected with the strategy of the organisation. Structures and design, leadership, power in action and network building should be revolving around supporting new idea generation and discovery, selecting and commercialising the most promising ideas which could be potentially successful innovations that bring value both for the customer and for the organisations. This article looks at some key elements of value creating strategy of organisations. The focus is shifted on organisational design stimulating creative processes, strategic innovativeness that allows changing ideas into innovations; strategic entrepreneurship – understood both as strategic thinking in entrepreneurial processes, and as commercialisation of marketable innovations – and strategic leadership for strong strategy formulation on the one hand, as well as cooperative network building and internationalisation that supports value capture on the other hand.

This study contributes to the strategic management literature by theoretically developing, and empirically operationalising dimensions of an entrepreneurial strategy that has a potential to stimulate value creation and value capture in organisations. At the same time, it has been found that subjective non-financial measures of value creation and performance offer an interesting alternative to financial, objective measures. Measuring both strategic issues and outcomes with subjective measures is the answer to the limitation of confronting current questionnaire data with financial data from the past.

This article is structured in the following way. First, some conceptual findings concerning various strategies of value creation are given. Next, on the basis of literature review, some key elements of the value creating strategy are identified: organisational design supporting new idea generation, strategic innovativeness, strategic entrepreneurship, and strategic leadership. In the research part the identified components are operationalised and empirically tested in organisations in Poland as an Eastern European region of intensive economic growth, high level of entrepreneurial opportunities exploitation, a shift to opportunity-based entrepreneurship, and steadily growing innovativeness index. Eventually, some research results are presented, identifying the empirical dimensions of entrepreneurial strategy, showing their level in post-accession economy, and testing the relations with financial and non-financial measures reflecting the value creation and performance. Concluding remarks are added in the final part of the article.

LITERATURE REVIEW

As Christensen (1999) points out, a contemporary source of problems, dysfunctions and pathologies in developing innovative products and services by organisations is often the lack of coherent strategy that would act as a guide in selecting valuable projects, economically assessing the feasibility of their success, as well as objectively rating their novelty, usefulness, and appropriateness for creating value. Vicari (1998, in: Leigh 2012, p. 45) offers a matrix with four normative strategies for stimulating creativity and innovativeness, where two in particular seem to translate into value creation: (a) the strategy of Japanese business model with long-term orientation and innovativeness development, and (b) the strategy of entrepreneurial organisations seeking and exploiting opportunities. Kuhn (1989, pp. 11-13), when analysing strategies of over a hundred organisations, indicated ten types of strategies stimulating value creation from innovations. A closer look at the proposed framework shows that these strategies refer to value chain and concentrate on actions and goals, stimulating entrepreneurship, know-how of the sector and its trends, or focusing on a flexible and creative approach towards planning the budget. However, to create as much value as possible, firms need to be entrepreneurial and to take strategic actions at the same time. This requires integrating the necessary entrepreneurial activities and strategic thinking into strategic entrepreneurship and focusing, among others, on external and international networks and alliances, resources for opportunity exploitation, organisational learning and continuous innovation (Hitt *et al.*, 2001).

When formulating the value creating strategy on Porter's value chain, the question arises how much value is being created when implementing a certain strategy. Recent research carried out among 169 European companies shows that while no significant differences are found in the creation of value for shareholders, companies implementing differentiation rather than cost leadership strategies generate a considerably higher value for all the stakeholder groups (Teti, Perrini, & Tirapelle, 2014). This brings the argument of stakeholders into discussion. Generating value from innovation has been traditionally seen as a "pie" that needs to be divided among stakeholder groups. However, it is argued that multiple potential sources of value creation exist for all stakeholder groups, therefore it is possible to use the stakeholder synergy perspective, assuming that a single strategic action can create value for different stakeholders simultaneously and does not reduce the total value already created. What is more, taking strategic actions based on the stakeholder synergy perspective attracts key stakeholders and helps obtain their increasing effort and commitment in the long run (Tantalo & Priem, 2016). The stakeholder perspective focuses on an important fact that creating value from innovations generally requires resources from other players on the market, therefore entering into partnerships helps the firm create value. It has been found that on the one hand firms are aware of having corporate partners and cultivate the relations, on the other hand they do not always take the full advantage of the resources available through the networks, e.g. when partnering with universities (Lubik *et al.*, 2013).

Looking for and using necessary resources pushes companies, even competing ones, towards entering the strategy of collaboration. Coopetition among firms becomes a natural strategic choice for higher value creation and value capture, which coexist simultaneously. However, there are differences on the firm-level and the relationship-level as to how competing companies should create and divide value. The research carried out among

four Finnish manufacturing firm shows that relational- and firm-level cooperation strategies differ considerably as far as value creation and value capture are concerned, and that they also evolve over time (Ritala & Tidström, 2014). Therefore, when formulating a value-creating strategy, it is vital to take into consideration not only the firm-level value creation objectives, but also the relational-level ones.

In addition to the network perspective, it is important to look at the value-creating strategy through the marketing lens. In the marketing literature the notion of customer value may be found (Woodruff, 1997), concentrating on value for the customer (how customers perceive value from the attributes of products and services), as well as the value for the firm (value of the customer for the company, Band, 1991; Woodall, 2003). The former may reflect the functional/instrumental value, experiential/hedonic value, symbolic/expressive value, and cost/sacrifice value (Smith & Colgate, 2007). The creation of value for customers is a particularly critical construct for marketers when developing new products or services, namely when commercialising innovations. From the organisational perspective, the value for the firm is more critical, reflecting how many of the firm's products or services the customer will buy, and for how long (customer lifetime value; Smith & Colgate, 2007). Firm strategies that improve consumer perceptions and – as a result – benefits, can create more value by increasing consumer payments to an entire value system, including not only the firm level but the relational level as well (Priem, 2007). At the same time, the research shows that both the project marketing processes for the customer and a proper purchasing strategy for the buyer increase the value creation (Ahola *et al.*, 2008).

Specific value creation strategies may be formulated for specific sectors or markets. A value creation strategy framework has been offered for the electronic markets, embracing critical elements such as ecosystems, alliances, knowledge, and e-systems (Hackney, Burn, & Salazar, 2004). The model, focusing on the one hand on continuous innovation and the development of dynamic capabilities, at the same time stresses the co-evolutionary approach to value creation and the long-term management of change, making it possible to reconcile the paradox of building current competitive advantage vs. building long-term strategic competences for the future.

It has been suggested that the nature of strategy stimulating value creation lies in supporting creativity, innovativeness and entrepreneurship (Bilton & Cummings, 2010). The concept of strategy supporting creativity assumes that increasing value coming from innovative ideas is possible by reconciling paradoxes in four key dimensions of creative strategy: (a) strategic innovativeness, that is supporting organisational processes that will result in innovations based on creative ideas, (b) strategic entrepreneurship, that is turning the innovations into marketable products and services (commercialisation), (c) strategic leadership, which promotes creativity and entrepreneurship, (d) strategic design of a creative organisation, which stimulates the processes of creativity, innovativeness and entrepreneurship. Strategic innovativeness, generally speaking, concentrates on exploiting a creative idea in order to generate value, while strategic entrepreneurship builds a bridge between the art of innovation and the real market outside the organisation. Strategic leadership focuses on consolidating, sustaining and developing innovative projects in organisations, as well as supporting all the processes of creative strategy: creativity, innovativeness, and entrepreneurship. Strategic design concentrates on generating proper structures, processes and organisational features that will unleash creativity throughout the whole organisation.

Taking into consideration the stakeholder perspective, cooperative network building, the concept of strategic entrepreneurship, and strategy supporting creativity, the following section will offer some constructs viewed as key components of the entrepreneurial strategy oriented towards value creation: organisational design supporting creative idea generation, strategic innovativeness understood as preparing innovations on the basis of new ideas; strategic entrepreneurship understood as commercialising innovations with the support of flexible strategic shift and necessary resources orchestration; strategic leadership understood as building strong entrepreneurial strategy, as well as cooperative networks outside the organisation.

Organising to Generate Value-Creating Ideas

As it was stated before, most of value is created in the initial stage of the entrepreneurial process, namely when new and useful ideas are being generated. Hence, stimulating the generation of new and useful ideas that may be translated into innovations require a proper organisational design that boils down to creating and developing such a structure, together with other vital features of the organisation, where the processes of creativity and innovativeness will be stimulated for value creation. A proper organisational design should offer an organisational context, where strategic potential and effectively orchestrated resources will result in desired outcomes, such as a higher level of organisational creativity and an increase in value creation. The organisational context stimulating creativity requires both tight and loose structures, as well as balancing between concentration time and leisure time (Bilton & Cummings, 2010). Tight, centralised, bureaucratic structures facilitate the implementation of the strategic plan, whereas loose, organic, decentralised structures allow bottom-up experimentation, the occurrence of ideas, and innovative approaches to problem solving. Concentrated work time, with proper intensity of actions and behaviours will result in complying with the requirements expected in the strategic plan. Leisure will make it possible for organisation members to think and reflect on new ideas and facilitate the “eureka” effect. What is more, organisational design stimulating creativity and value creation should feature certain attributes that will unleash creativity within and outside the organisational structures.

According to recent propositions, the strategic design of a creative and value-creating organisation needs to encompass the following features (2010, p. 207): (a) strong but adaptive organisational culture, that on the one hand integrates and unifies the organisation around common values and beliefs, but on the other hand allows it to adapt to environmental changes and experiment with innovative ideas; (b) proper organisational climate, where promising value-creating ideas are assessed objectively and promoted depending on their value, regardless where they come from and by whom they are introduced; (c) knowledge management environment that leaves room for idea exchange between both experts, specialists and naive enthusiasts, (d) intrapreneurship processes (Pinchot, 1985), with new idea generation both inside and outside of the organisation, (e) multitasking, adopting contradicting perspectives in thinking, (f) ambidexterity (Tushman, Anderson, & O’Reilly, 1997), (g) evolutionary approach towards introducing change; avoiding change only for the sake of changing, and changing these elements of organisations that are necessary to change.

Strategic innovativeness

Among many ideas generated within the optimal organisational design only few will be prepared as innovations, hence the process of strategic innovativeness comes into play. Strategic innovativeness is a combination of innovations that are developed by and inside organisations, (Miller, 1983) with strategic thinking (Graetz, 2002, p. 456). It is defined as reorienting the strategy of the organisation, aiming at creating new value for customers and the organisation itself (Johnston Jr. & Bate 2007, p. 4). Strategic innovativeness is a long-term process of introducing innovations, which makes it possible to fulfil goals on the organisation's strategic level. It embraces a set of coordinated actions and efforts, starting with preparing and developing the idea, its assessment, filtering, approval and dissemination. These processes require planning, bottom-up ideas, skills, tacit and explicit knowledge, information flow, knowledge sharing, as well as securing funds for commercialisation. The level of strategic innovativeness depends on the nature of the organisation, sector of activity, age, size and other control variables, as innovations are differentiated, uncertain, and require cooperation and support from functional teams (Pavitt, 1991). Companies that develop strategic innovativeness strengthen their structures and infrastructure (Pycraft, Singh, & Phihlela, 1997, p. 169). They can be flexible in the short term and deal seamlessly with threats from competitors; they are also capable of introducing new products and ideas in a relatively short time, as the strategic level of innovativeness strengthens the organisational culture and creates certain routines.

Van de Ven (1988) indicates certain challenges connected with managing innovations in organisations, among which the most important are: (a) proper management of organisational members' attention that will make them focus on developing new ideas, (b) managing social and political dynamics of innovation; focusing on social aspects of management and the processes of organisational politicking, (c) managing the processes of creating proper organisational infrastructure that will be a strong driver for innovations. Organisations treating innovativeness as a strategic process can result in a number of positive outcomes (Alsaaty, 2011, p. 3): (a) organisational and strategic renewal, (b) increasing performance in the long term, (c) increasing productivity and decreasing costs, (d) dominant position in the market, (e) securing assets with sustained and constant access to them, (f) exploiting opportunities (g) increasing market value, (h) competitive advantage.

Strategic Entrepreneurship

Strategic entrepreneurship is understood as commercialising the innovation, or – in other words – turning the selected and promising innovations based on creative ideas into marketable products and services as an integration of the required entrepreneurial activity and strategic thinking (Hitt *et al.*, 2001). Strategic entrepreneurship is therefore connected with implementing large-scale or important innovations into the market, which will create value for customers and organisations (Moris, Kuratko, & Covin, 2008). Strategic entrepreneurship processes can also result in innovations that appear in the strategy itself, offered products, serviced markets, modes of organising and in business models. Therefore, different forms of strategic entrepreneurship can be recognized: strategic renewal, constant regeneration, re-definition of the domain of activity, rejuvenation, or reconstructing the business model.

Strategic management concentrates more and more on the entrepreneurial activities of the organisation (Hitt *et al.*, 2011). Integration of strategic management and corporate entrepreneurship processes builds foundations for strategic entrepreneurship that focuses on exploiting organisational capabilities and competences in the process of seeking, identifying, exploiting and commercialising opportunities (Shane, 2003). In order to strengthen these value-creating processes, scholars indicate a number of managerial activities that help to stimulate strategic entrepreneurship (Morris & Kuratko, 2008, p. 161): (a) formulating entrepreneurial vision, (b) strengthening the perception of opportunities, (c) institutionalising change, (d) strong motivation for developing innovative behaviours, (e) investing in human resources, (f) sharing responsibility, risk, and rewards, (g) accepting failure, and learning from mistakes.

If we accept the understanding of strategic entrepreneurship as a process of turning innovations into marketable ideas five phases of the process are identified (Bilton & Cummings, 2010, p. 112): (a) the phase of identification, based on realizing that a certain idea has a potential for commercialisation, (b) the phase of development, focusing on the preparation for turning the innovation into products or services, (c) the phase of assessment, which answers the question if the innovation is worth further development and whereas it will create any amount of value, (d) the phase of preparing new products or services, (e) the implementation phase – launching the product and selling it with value creation and value capture processes. The five phases create a complete cycle of strategic entrepreneurship, where the first two are associated with dilettante attitude and spontaneity, while the last two are connected with diligence and hard work. As a further development of this conceptualisation of strategic entrepreneurship, Hitt, Ireland, Simon and Trahms (2011) offered a dynamic, multi-level, input-output framework, where creativity is treated both as an individual and organisational resource. The proposed framework describes three important elements of strategic entrepreneurship: resources and organisational features, environmental factors (environmental wealth; resource richness), processes of resource orchestration, and organisational outcomes. It is important to notice that this framework focuses on how resources are used by the organisation in order to commercialise innovations.

Strategic Leadership and Network Building for Value Creation and Value Capture

The processes of value creation and value capture in organisations, as well as outside of them, cannot be effective without the support on the strategic level. The task of strategic leadership is to consolidate, sustain, and develop business projects and ventures, as well as to coordinate and inspire the processes of innovativeness. Scholars find it difficult to define the scope of strategic leadership (Guillot, 2003, p. 67). Canella and Monroe (1999) point out that research concerning strategic entrepreneurship focuses predominantly on the CEO perspective, which confirms the common belief that strategic entrepreneurship is directly connected with leaders on the top level of company structure. In this stream of research, certain attributes and behaviours of leaders are indicated as a source of strategic success, such as hard work, leadership and interpersonal skills, motivating, ability of learning, a skilful combination of strategic planning and strategy implementation, innovation management and organisational change (Charlton, 1993, p. 13). In a more extensive approach, strategic leadership is understood as a combination of two perspectives: orientation on people on the top level of management, with concentrating on their actions and strategic choices (Canella, 2001, p. 40).

As long as leadership concerns influencing people, strategic leadership concerns the organisation as a whole, as a higher level of analysis. Strategic theories of leadership discuss the problems of leading the organisation in a holistic way, with regard to co-evolution and changing goals and capabilities (Boal & Hooijberg, 2000, p. 516). From this perspective it is vital to understand the organisation as a unity, with the task environment (Louw & Venter, 2006). To-date, it is accepted that strategic leadership in organisations is shaped by six key elements (Ireland & Hitt, 1999, p. 47): (a) formulating vision and mission, (b) exploiting and sustaining core competences by knowledge and intellectual capital development, (c) developing human capital and investing in it, (d) developing strong organisational culture, (e) sustaining ethical practices across the organisation, (f) balancing financial control with strategic control.

Today, when companies do not act alone but operate in networks, there is a specific task for strategic leaders to be highlighted. On the one hand, strategic leaders build a strong vision for operating as entrepreneurial companies. On the other hand, they need to build networks outside organisations, as coopetition among firms becomes a natural strategic choice for better value creation and value capture. As there are differences on the firm-level and the relationship-level concerning how coopeting companies should create and divide value among them, it is vital for strategic leaders to face managerial challenges present in the coopetition networks. In order to increase the value created, and to respond to customer needs, companies depend on effective competing, but also on cooperating with their competitors (Powell, 1990). Strategic activities of companies and their stakeholders translate into the success or failure of value creation in the whole network (Gomes-Casseres, 1994). Developing intraorganisational social capital by strategic leaders can stimulate synergic value creation, while competitive actions undertaken by stakeholders determine value distribution or “pie division” (Blyler & Coff, 2003).

Incomplete network relations between organisations operating in the same sector can increase the purchasing power and value capture of certain firms in such a network (Chatain, 2010). In order to analyse the value capture processes, the Value Network Map has been offered, as it attempts to answer vital questions concerning value creation and value capture (Ryall, 2013): (a) what portion of value is possible to be captured, (b) who belongs to the cooperating or coopeting network of the firm’s stakeholders, (c) who belongs to the value-competing network peripherals, (d) what is the ratio of competition-based value created to overall value created. In other words, coopetition leads to maximising the value created in order to compete for its biggest portion when it is created. Strategic leaders need not only to build effective value-creating networks but use these networks for complementary resources available by the stakeholders (Afuah, 2000). Strategic leadership is a continuous process: creating value and competitive advantage seldom goes hand in hand with continuous value capture (Ryall & Sorenson, 2007).

MATERIAL AND METHODS

The key dimensions of strategy stimulating value creation depicted in the theoretical section of the article may be presented in the following research framework (Figure 1). Basing on the research model, the following hypotheses were formulated:

- H1:** The construct of value-creating strategy is composed of four dimensions: value-creating organisational design, strategic innovativeness, strategic entrepreneurship, strategic leadership.
- H2:** There are positive relations between entrepreneurial strategy dimensions and value creation.

The research data was collected by means of a survey. The dimensions of the researched entrepreneurial strategy and value measures were operationalised as items assessed by statements in the questionnaire with 7-point Likert scale. The dimension of strategic innovativeness was described by ten statements, strategic entrepreneurship by seven statements, strategic leadership by six statements, and creative design by nine statements. In the last part of the questionnaire value creation measures were operationalised, based both on objective, financial measures (e.g. the return on sales) as well as non-financial ones were used. The questionnaire was used in PAPI interviews carried out among top managers dealing with strategic issues within business organisations operating in Poland. The companies were randomly selected from all sectors of activity. The choice of the transition economy organisations is justified by the drive towards innovation, a relatively high speed of change, orientation to creativity and opportunity exploitation. 606 questionnaires qualifying for further empirical analyses were obtained.

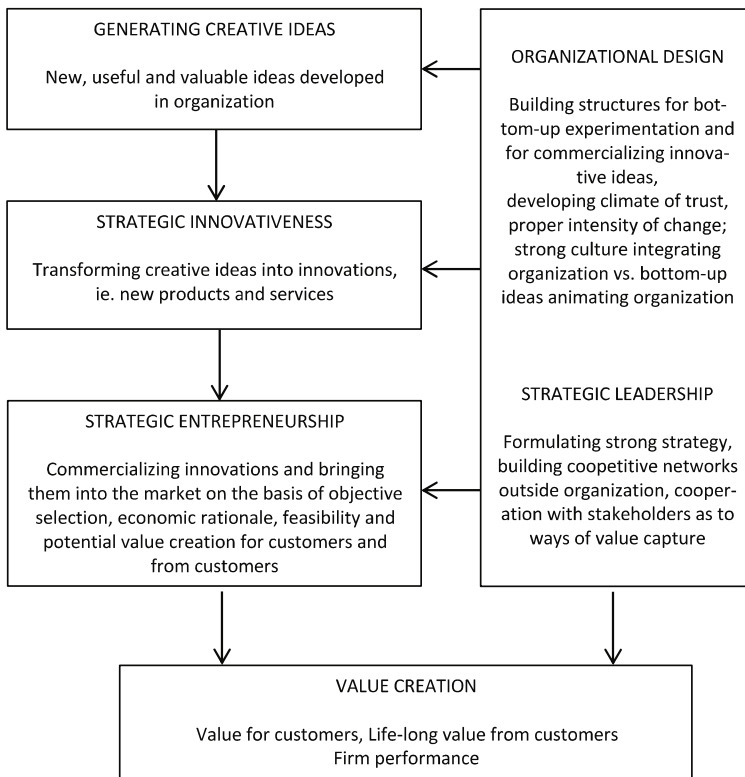


Figure 1. The concept of entrepreneurial strategy stimulating value creation
Source: own elaboration.

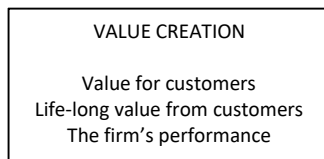


Figure 2. Value creation

Source: own elaboration.

The choice of the transition economy organisations is justified by the drive towards innovation, a relatively high speed of change, orientation to creativity and opportunity exploitation. 606 questionnaires qualifying for further empirical analyses were obtained. 50.5% of organisations were small, 16.1% medium-sized, and 33.4% were large corporations. 18.2% of the researched organisations operate in services, 16% in trade, 11.1% are involved in production, 10.7% operate in the building and constructions sector, 9.7% deal with finance and insurance. The remaining branches represented less than 10%. For data analysis IBM SPSS 20 was used.

RESULTS AND DISCUSSION

In order to empirically test the dimensions of entrepreneurial strategy stimulating value creation, the factor analysis was used (Table 1). The results of factor analysis show that the empirical dimensions of the researched strategy fit theoretical categories quite well. All dimensions, when analysed separately, could be described by the statements included in the questionnaire. The values of Cronbach's alphas are high, which means that the proposed operationalisation of the strategy stimulating value creation is proper, and that certain dimensions can be described by variables proposed in the questionnaire. For the sake of curiosity, however, the factor analysis for all the indicated dimensions of strategy was carried out and rotated all the items. The results of factor analysis that took into consideration all items in the measurement scale, indicates that there is a possibility to define four dimensions of the strategy stimulating value creation, which – according to the statements in the questionnaire – can be labelled as follows: 1) strategic innovativeness and entrepreneurship, 2) organisational design based on diligent venture planning, 3) entrepreneurial leadership based on strong vision, network building, learning from mistakes and adopting best practices from the cooperative network, 4) organisational team support based on building the climate of trust. What is interesting, according to this analysis strategic innovativeness and strategic entrepreneurship were linked together as one dimension. This could mean that innovativeness itself is not a standalone strategic choice. The process of turning creative ideas into innovations has to be followed by proper opportunity recognition, idea evaluation and commercialisation. Following this reasoning, innovativeness itself does not necessarily have a strategic meaning, when it is not supported by processes of transformation into the marketable, economically feasible ideas that create value. What is more, the strategic leadership dimension was extended by some variables describing innovativeness and entrepreneurship. It could suggest that there is a certain level of importance as far as the entrepreneurial style of leadership is required when stimulating value creation processes

in organisations. Leadership that supports opportunity exploitation should also be extended by learning processes, adopting good practices present in the market, and realized by competitors within the cooperation networks. It is also important to build relations with key stakeholders, both inside and outside organisations, on the regional and international level. The autonomy of creative workers, intrapreneurship, learning and looking for best practices inside and outside of the organisation were also highlighted.

Table 1. Factor analysis of the whole scale measuring entrepreneurial strategy

Item	Factor 1	Factor 2	Factor 3	Factor 4
<i>Strategic Innovativeness</i>				
New idea generation	0.716	0.221	0.134	0.094
Idea discovery and adaptation	0.728	0.216	0.224	0.057
New methods of problem solving	0.663	0.170	0.350	0.117
Preparing the innovation	0.630	0.158	0.343	-0.003
Openness to unexpected ideas	0.638	0.212	0.343	0.171
Questioning expert knowledge	0.633	0.044	0.078	0.271
Learning from mistakes	0.361	0.107	0.623	0.153
Scanning environment for best practices	0.527	0.085	0.531	0.292
Identifying organisational best practices	0.557	0.184	0.457	0.228
Creating new best practices	0.664	0.268	0.151	0.233
<i>Strategic Entrepreneurship</i>				
Opportunity exploitation	0.654	0.330	-0.052	0.070
Preparing innovation for the market	0.631	0.472	0.176	0.036
Searching for the idea-market link	0.615	0.479	0.230	0.028
Developing the exploited opportunity	0.558	0.468	0.193	0.098
Feasibility of commercialisation	0.506	0.499	0.321	-0.055
Diligent business planning	0.442	0.445	0.399	-0.003
New venture creation	0.436	0.390	0.466	0.016
<i>Strategic leadership</i>				
Developing strong vision and unique strategy	0.122	0.325	0.597	0.059
Building cooperative networks	0.102	0.223	0.739	0.115
Building relations with stakeholders	0.142	0.230	0.649	-0.028
Strategising valuable resources in/out of the firm	0.195	0.255	0.486	0.397
Building the climate of trust	0.169	0.314	0.264	0.577
Communicating the value creation strategy	0.154	0.200	0.015	0.776
<i>Organisational design</i>				
Centralised, formal structures	0.254	0.405	0.370	0.065
Autonomous organic structures	0.380	0.491	0.197	0.166
Organisational culture	0.335	0.512	0.364	0.269
Meritocratic climate	0.307	0.522	0.446	0.170
Learning and knowledge management	0.288	0.605	0.294	0.265
Intrapreneurship stimulation	0.290	0.594	0.292	0.045
Multitasking and holistic thinking	0.200	0.679	0.261	0.139
Places of work stimulating idea generation	0.158	0.656	0.131	0.150
Change management	0.122	0.694	0.122	0.291
<i>Explained variance</i>	6.801	5.144	4.345	1.805
%	0.213	0.161	0.136	0.056

Source: own study.

A new factor was revealed here, based on building the climate of trust, as well as visualising strategy for organisation members. To sum up, the factor analysis of the identified dimensions of the value-creating strategy confirmed the four theoretical dimensions. However, the factor analysis of the whole scale indicated some reconfigurations between the theoretical dimensions, with the values of Cronbach's alphas of the original items still high.

In order to assess the level of dimensions of the value-creating strategy, descriptive statistics was used, and average values indicated on the Likert scale were compared (Table 2).

Table 2. Descriptive statistics for the identified strategic dimensions

Entrepreneurial strategy dimension	Average	Std. Dev.	Median	Q25	Q75	Std. error
Innovativeness	4.23	0.93	4.30	3.70	4.90	0.04
Entrepreneurship	4.21	0.99	4.29	3.71	4.71	0.04
Leadership	4.49	1.10	4.50	3.75	5.25	0.04
Design	4.29	0.92	4.33	3.78	4.89	0.04

Source: own study.

The descriptive statistics indicate that the average levels of the strategy dimensions represent similar values and are close to '4'. On average, strategic leadership scored highest, while strategic entrepreneurship obtained the lowest value. Innovativeness and creative design indicate similar values. Interpreting the data, one can say, that the researched organisations represent a good level of innovativeness (in the subjective opinions of top management), while commercialisation of these ideas was assessed slightly lower. Leadership is perceived as good, but it seems that not always it is effective, as the entrepreneurship dimension scored relatively lower. When controlled for age, size, and sector of analysis, the researched organisations did not show statistically significant differences in the level of their value-creating strategy. This could mean that the indicated empirical dimensions of strategy stimulating value creation might be universal for all types of business organisations.

This part of the research results showed that there is no basis to reject hypothesis 1 stating that the key elements of value-creating strategy are: strategic innovativeness, strategic entrepreneurship, strategic leadership, and proper organisational design. Of course, there are some reconfigurations between theoretical dimensions but when analysed separately the theoretical categories were confirmed.

The dimensions of entrepreneurial strategy and value creation

In order to assess the relations between the identified strategic dimensions and value creation, Kendall's Tau and Pearson correlation measures were used. For assessing VC, the return on sales (ROS), the return on assets (ROA) and the return on equity (ROE) were used. Additionally, subjective, non-financial meta-measure of value creation, based on the questionnaire developed by Antoncic and Hisrich (2003) was included to assess subjective, non-financial value creating processes. The obtained values of correlations between entrepreneurial strategy dimensions and value creation are presented in Table 3. Statistically significant correlations were marked bold. According to the results, one can say that generally there is no correlation between the identified strategic dimensions and the value created measured with financial measures. There is a negative, low, and statistically significant value of the relation between strategic leadership and financial measures, meaning that with the level of leadership increasing, the sales figures generally go down.

Table 3. Correlations between entrepreneurial strategy dimensions and value

<i>Kendall tau correlations</i>				
	Innovativeness	Entrepreneurship	Leadership	Org. design
ROS	-0.04, p = 0.260	-0.04, p = 0.160	-0.09, p = 0.018	-0.06, p = 0.107
ROA	0.04, p = 0.322	0.01, p = 0.691	-0.01, p = 0.852	-0.01, p = 0.825
ROE	-0.03, p = 0.524	-0.03, p = 0.536	-0.04, p = 0.254	-0.05, p = 0.265
SUB	0.24, p = 0.000	0.22, p = 0.000	0.19, p = 0.000	0.22, p = 0.000
<i>Pearson's correlations</i>				
	Innovativeness	Entrepreneurship	Leadership	Creative design
ROS	0.01, p = 0.846	-0.00, p = 0.960	-0.16, p = 0.004	-0.04, p = 0.483
ROA	0.04, p = 0.440	0.03, p = 0.562	-0.04, p = 0.475	-0.02, p = 0.673
ROE	-0.01, p = 0.961	0.01, p = 0.672	-0.03, p = 0.524	-0.03, p = 0.788
SUB	0.38, p = 0.000	0.35, p = 0.000	0.31, p = 0.000	0.36, p = 0.000

Source: own study.

Quite different results were obtained in the case of subjective, non-financial measures. Generally speaking, with the increase in the level of strategic dimensions, value creation measured with subjective measures increases, though the correlations are not high (Cohen, 1988, pp. 109-115). The results are surprising, as they do not confirm theoretically found relations between strategic dimensions and tangible outcomes of the organisations. The explanation can be four-fold.

First, the researched organisations reluctantly present their financial results, being aware of the competitors. They also use different methods of accounting and booking the value, in order to sometimes influence the results in the short-term. The subjective assessment faces these obstacles. Second, the performance is influenced by many factors, not just strategic dimensions. The analyses showed that the strategic dimensions explain the value measures only in 18% of the variance. Third, the dimensions of entrepreneurial strategy are the pictures of dynamic processes taking place in organisations at present, while financial results are the static picture of the recent past. Using the same method (a survey) for both strategic issues and value creation addresses these differences.

The above analysis partially rejects the hypothesis about relations between the dimensions of entrepreneurial strategy and processes creating value. There are statistically significant but low correlations between strategic dimensions and value creation measured with subjective, non-financial measures. Therefore, elaborating the non-financial measures of value creation and value capture might be suggested for the future research confronting strategic dimensions with value-creation dimensions.

CONCLUSIONS

This article attempted to look at the problem of building a strategy that stimulates value creation processes in organisations. As contemporary organisations create value mostly from innovative products or services they introduce to the market, the sequence of creativity-innovation-entrepreneurship was used as a basis of the theoretical framework. The research used the construct of creative strategy offered by Bilton and Cummings (2010),

with strategic leadership and organisational design supporting the generation of new ideas; the concept of strategic entrepreneurship (Hitt *et al.*, 2011) with some insights from the stakeholder, coopetition and marketing views. The article posited that the value from innovations is created in the initial phase of the entrepreneurial process, by experimenting with new, useful and valuable ideas. It is therefore important to support, on the strategic level, the processes of generating ideas that will be prepared as innovations and further commercialised. Following this reasoning, I tried to describe and theoretically develop the dimensions of strategy that supports creative and innovative ideas, as well as operationalise them, test them empirically and link them with the firm's performance. Instead of concentrating on the innovations themselves, organisations could analyse innovations as part of the more comprehensive strategic sequence that comprise a selection of creative ideas, transforming promising ideas into innovations, and commercialising most marketable innovations through the process of strategic entrepreneurship. This focus shift, somehow naturally, would result in better value creation and performance. The proposed sequence has to be supported by proper strategic leadership with networks building allowing organisations to use complementary resources beyond their control, and organisational design stimulating creativity at the organisational level.

The research carried out indicates that the nature of entrepreneurial strategy supporting value creation boils down to four dimensions: strategic innovativeness, strategic entrepreneurship, strategic leadership, and creative design of the organisation. Factor analysis of the complete measurement scale that was developed did not reduce any of the four dimensions, offered, however, some reconfigurations. Strategic innovativeness and strategic entrepreneurship dimensions formed one factor, which means that turning creative ideas into innovations and commercialising them on the market through exploring opportunities makes one solid sequence. It is compliant with the idea of corporate or strategic entrepreneurship (e.g. Hitt *et al.*, 2001). It was interesting to see the emerging factor of teamwork building, which is based on building the climate of trust. It also seems that for the effective value creation, diligent planning and precise preparation of ventures and business projects is more important than uncoordinated and improvised looking for opportunities.

The level of entrepreneurial strategic dimensions is on the similar level in the researched organisations. Strategic leadership obtained the highest score, while strategic entrepreneurship scored lowest. It seems that the level of entrepreneurial strategy dimensions does not depend on age, size or sector of activity, which makes the construct universal for all business organisations. The research also shows that generally speaking, there are no relations between the dimensions of entrepreneurial strategy and value creation measured with financial measures. Only strategic leadership indicated some low negative relations with the return on sales. There are, however, low but positive relations between strategic dimensions and subjective, non-financial measures. Of course, the set of measures used must be indicated as a limitation of this research and should be expanded in the future.

For the research purpose, this study addresses various theoretical challenges that await those seeking to apply the strategic management theory to the field of new idea generation, thus linking it to organisational creativity. The efforts presented here contribute to the literature in the following ways. First, the research extends the organisational creativity theory by exploring the possibility of linking strategic management and the construct of creativity. Second, the insights developed here advance strategic management

literature by operationalising the construct of entrepreneurial strategy. The general idea was to build a concept of strategy that does not forget about individuals as a source of creativity, which is the main focus of psychology. In this sense, the perspective is more comprehensive than approaches used in prior studies mostly carried out from the psychological and social viewpoint, while the lenses of strategic management and corporate entrepreneurship were largely ignored.

For practitioners, this article has a very clear message: concentrating on new idea generation as a source of value creation matters and framing the creativity into the strategic sequence is vital. It is important to look for new ideas, instead of focusing on outcomes and performance in the first place. What is more, entrepreneurial organisations demand large investment commitments that people have to tolerate, as well as supportive resources, processes, and capabilities to be set. Nevertheless, further empirical research is needed to support these recommendations better. The main task of strategic management is looking for the sources of value. The focus on performance, value creation, competitive advantage is natural. This article does not argue that the dependent variables are unimportant. It only posits that focusing more on the new idea generation can be more synergetic and can result in value creation and performance in the long run.

This study has some limitations. The sample limitation is quite obvious. Similar research carried out in a different country, with different entrepreneurial culture would show other results. The organisations chosen for this research also create a vast sample. There are measurement limitations as well. I only used a few rentability measures as a reflection of value creation. Further research could concentrate on the subjective measures of value creation, as they showed statistically significant and relatively important relations. The research could be repeated in order to see if the elements of entrepreneurial strategy can be generalised. Eventually, the operationalisation of entrepreneurial strategy uses only a few conceptualisations present in the literature. It would be interesting to extend the conceptual framework in the future and formulate some more hypotheses.

Despite its limitations, this analysis takes stock of what is known, answers some questions in the organisational creativity and strategic management literature, and points out directions for future research. We believe that, for all the depth and scope of the literature, researchers have only begun to explore the challenges related to organisational creativity and its performance implications. Having further mapped the domain of organisational creativity, we hope future researchers will study the dynamics associated with key relationships.

In conclusion, the present research takes a step forward and sheds some interesting light on the strategic elements that can potentially increase the value creation in organisations. This research offers several key contributions, however, there are also a number of limitations and most of them highlight opportunities for further inquiry: the sample limitations suggest researching other organisations, as well as other countries; method limitations require elaborating on the survey; measures limitations address the lack of consistency in measuring value creation and the firm's performance with financial and non-financial measures. The idea of strategic innovativeness and strategic entrepreneurship could be further developed, as processes that potentially create value. The influence of coopetition, building networks for using external complementary resources for commercialising innovation on value creation and value capture processes could also be addressed in future research.

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