Program Configurations for Corporate Accelerators

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MASTER THESIS

Program Configurations for Corporate Accelerators

A qualitative study on program configurations of corporate accelerators

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Abstract

The corporate accelerator phenomenon is increasing in popularity and is a common vehicle of external innovation for large organizations. But many initiatives fail, and what characterizes the programs that have had longevity, has not been addressed in existing research. This includes their adherence to operating models of corporate accelerators; accelerating strategic fit between startups and the corporate, and accelerating venture emergence to reserve-the-right-to-play driven by financial motives or a hybrid model between the two strategies

This study focuses on corporate accelerators that have had a longevity in their programs and explore their program configuration, overarching strategic purpose and their connection to the parent organizations. The purpose of the study is to provide conceptual frameworks of corporate accelerator programs with a dual purpose where the corporate accelerator accelerates the startups emergence and simultaneously giving the corporate access to new solutions and services to be integrated in their business.

To provide conceptual frameworks, four different organizations hosting their own corporate accelerator programs were interviewed, along with startups that had participated in one organization's program and also subject matter experts. Based on the findings from existing literature and the empirical data collection two different hybrid models of strategic fit and venture emergence were identified. One model being suitable for early stage startups focusing on accelerating the ventures to a viable level for collaboration and initiating a collaboration with local business units and one model for scale-ups integrating their solution into local and global business units and being provided soft landings and access to new markets.

Keywords: Corporate Accelerator, Entrepreneurship, Corporate Venturing, Startup support models, Innovation.

Preface

This study is a collaboration between Lund University Division of Innovation Engineering and a high-tech company, referred to as The Case Organization (TCO) throughout this report. TCO have over the last years expanded their research & development into new areas of interest and launched several new initiatives. One of these initiatives is a corporate accelerator (CA) program with the first batch participating in the autumn of 2019. The accelerator program is hosting both external startups as well as internal projects. With the first batch graduated the program, the scope of the program has been altered and therefore also the program characteristics. The insights from that batch were that participating external startups seek to collaborate or work alongside with TCOs business units, and the corporation seek to leverage the technological knowledge of the startups. This requires a program with a strategic objective of accelerating the strategic fit between startups and TCO.

Firstly, I would like to thank TCO for providing the opportunity to conduct this master thesis and collaboration. A special thanks to Olle Landgren and Hisahito Hirooka, being my supervisors, constantly encouraging and supporting me for the duration of the work.

Secondly, I would like to thank my supervisor at the Faculty of engineering Lars Bengtsson for the support throughout the entire process, providing valuable feedback and insights.

Finally, I would like to thank all of the accelerator managers taking their time to provide insights via their participation in interviews and showing interest in my work. A special thanks also to Raj K. Shankar and Thomas Kohler for supporting my master thesis in providing essential insights and guidelines throughout my data collection and analysis.

Lund, May 2020

Nils Johansson

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1 Introduction

1.1 Background to Research Field

Large corporations have for some time been struggling with keeping up with the rapid pace, and emergence of disruptive businesses. In the business of today, having a closed innovation system and being exposed to end up in the Kodak moment (being unaware of disruptive innovations) is not sufficient to be competitive (Chesbrough, 2003). Many companies have therefore expanded their innovation horizon to incorporate external innovations and adapting to the open innovation paradigm (Chesbrough, 2003). Corporations are exploring different ways to engage with agents of external innovations, namely startups in their search for external innovations (Weiblen & Chesbrough, 2015).

At the same time entrepreneurs struggling with their growth, overcoming obstacles and obtaining know-how are using a variety of support models to assist them in their development from the idea-phase to becoming a successful business (Wise & Valliere, 2014). In the 1960's the first startup incubator was launched, providing startups with mentoring, networking and collaboration with other startups with similar struggles (Dahl, 2011). There are also, other support models such as co-working spaces and small business development centers. Apart from receiving knowledge and know-how, entrepreneurs have been financially supported by business angels and venture capital firms in funding their ventures (Bonini & Capizzi, 2019). One of the most recent support models, the Seed-accelerator program, was launched by Y-Combinator in the United States in 2005. With similar offerings of a traditional business incubator the Y-Combinator provided mentoring and coaching, but at a rapid pace in a 3-month program and took an equity stake in the participating startups, some of them being Airbnb and Reddit (Haines, 2014).

As a combination of the interests of entrepreneurs and emerging businesses along with the search for external knowledge from large organizations, the phenomenon of CAs has emerged. The first CAs were launched in 2010 and has since then been growing in numbers (Heinemann, 2015). The CAs differ from seed-accelerators, which are driven for financial returns, by having a strategic nature and serve as a testbed for external startups but also internal ideas.

There have been several studies on different types of CAs' characteristics as well as classification models of existing accelerators. But despite being a phenomenon existing for almost ten years there is limited research on how to operate and set up CAs from a process perspective and how strategies are realized in actual programs.

This includes different ways to scout and select startups as well as how to incorporate them into existing business. A study by Shankar & Shepherd (2019) was the first study to provide a process-based study, contributing on how to set up a CA, establishing the divergent pathways of Accelerating Strategic Fit and Accelerating Venture Emergence. The Strategic fit rationale aims to accelerate the integration and incorporation of external solutions and services into the organization whereas the Venture emergence rationale provides financial opportunities by giving access to the company's platform or investing in participating startups to provide the organization with reserve-the-right-to-play opportunities.

However, the adoption of the two pathways amongst CAs that have survived over time and the possibility of fusing the two strategies in a program was not addressed in their study nor in studies published since then. Combining the features of the two pathways, sourcing incremental innovation through the strategic fit model and radical and future innovations through venture emergence model, could add more value than just adhering to a single strategy for a corporation. At the same time, it would provide participating startups with collaboration opportunities and business acceleration. This study is intended to complement that research and explore a potential hybrid model of the two concepts and explore what characterizes CAs that have had a longevity with their program.

1.2 Purpose

Firstly, the purpose of this thesis is to contribute to existing literature on CAs by providing insights on how to design and construct a hybrid program with a dual purpose of strategic fit and venture emergence. This includes what components to realize the strategic objective of the organization are essential in. This is done by providing two alternate hybrid models based on the phases of participating startups and maturity grade of the local innovation ecosystem as well as providing insights on which CA models have had success over time.

Secondly, the purpose of this thesis is to provide TCO, which this thesis is written in collaboration with, with suggestions on how their accelerator program should be organized in terms of activities and program configuration and what challenges and opportunities are associated with the suggested changes. This will hopefully enable the possibility of incorporating the participating startups and accelerate the emergence of promising future external technology. In turn combining a strategic-fit and venture emergence approach into a hybrid model and what tradeoffs that have to be considered when designing a program to suit both approaches.

1.2.1 **Research Question**

The research question can be divided into sub-questions to answer it in full

Table 1: Research questions of the study

RSQ	***How do you design a corporate accelerator program with a dual purpose of strategic fit and venture emergence?***
Subquestion 1	What are the essential activities in such a corporate accelerator program?
Subquestion 2	When and how should existing business units and external entrepreneurs be incorporated in the program?
Subquestion 3	What does the portfolio management of participated startups look like?

1.3 Delimitations

The focus of this study is large organizations with a CA program and aimed at students at master's level. Apart from this, no other delimitations has been made due to the exploratory nature of the study.

1.4 Disposition

1.4.1 **Chapter 1**

The first chapter provides the reader with a background of the overarching research field, the issue of the study as well as its purpose. This is followed by the research question and delimitations of the study.

1.4.2 **Chapter 2**

The chapter of methodology gives a thorough explanation of the work process, research design and approach. It provides the reader with a motivation of the chosen strategies and methods. Thence, it describes the process of data collection, data analysis followed by a discussion of the credibility of the study.

1.4.3 **Chapter 3**

The purpose of the third chapter is to provide the reader with a sufficient and thorough theoretical background which composes the foundation onto which the research is built. The theoretical framework is mainly consisting of existing literature on open innovation, corporate venturing and the accelerator phenomenon. This includes frameworks for corporate venturing, CA management and startup development.

1.4.4 **Chapter 4**

In the fourth chapter the empirical findings are presented, based on the data collected through the semi-structured in-depth interviews. The findings are topics and themes related to the implementation of a CA, that were identified through the literature review and highlighted by the interviewees. The interviews are separated and divided into the subsections; subject matter experts, TCO (both internal and participated startups), and existing external CAs. The interviewees included researchers, CA managers and founders/executives from startups that have participated in TCO's program.

1.4.5 Chapter 5

Chapter five aims to discuss the findings and the key themes identified via the interviews and compare it to existing literature and frameworks presented in the third chapter. Based on these discussions, the potential construction and organization of hybrid models of strategic fit and venture emergence is presented.

1.4.6 Chapter 6

In chapter six proposals on how TCO should re-arrange their program and opportunities and challenges associated with this are presented. The suggestions are based on the analysis of the successful CAs and the empirical findings from the startups that have participated in TCO's program.

1.4.7 Chapter 7

In chapter seven, the contributions to existing literature on CAs are presented along with conclusions of the study by answering the research questions, both to the overarching question and the sub-questions. The final section of this chapter is suggestions on future research and the limitations of the study.

2 Methodology

This section of the report aims to explain and elaborate the research approach as well as to justify the strategy for obtaining relevant information in a suitable way. Firstly, the process of the conducted work is presented, followed by the chosen approach and research methods. Lastly, a discussion of the validity, credibility and transferability of the study is presented.

2.1 Research Strategy

The area of corporate innovation and the entrepreneurial process are fields thoroughly explored and described in previous studies and literature. But the open innovation and stimulation of new ventures through accelerators, specifically CAs, is a topic that haven't been addressed to a large extent in previous research. Especially, the design configuration of successful CAs has not been studied in previous research. Suitable research methods are therefore applied to explore, highlight and describe the field of program configuration of hybrid model CAs. The chosen research approach is therefore of an exploratory nature with multiple case studies.

The study is comprised of two different data collections, firstly a literature review is conducted of the existing research on accelerators, CAs, open innovation, the entrepreneurial process, and entrepreneurial support models. This review constitutes the theoretical background on which the research is based and is aimed to give insights on what the incentives and drivers for a CA program are from both a startup-perspective and corporate-perspective.

The second part of the data collection is an empirical study which relies on in-depth interviews of qualitative nature and a brief quantitative data collection of the development of established CAs. The interviewees are key stakeholders with experience of CAs and relevant stakeholders for creating and applying a suggested program configuration onto the case-organizations accelerator program. Although the data collection started with the literature review and was followed by the empirical study, data from both sources were collected throughout the entire process since new information and insights lead to new perspectives.

2.1.1 Exploratory Research Approach

According to Höst et al. (2006) there are four different research approaches, each one suitable for specific purposes and work processes. (1) *Descriptive approach* which aims to explain how a phenomenon is working (2) *Exploratory Approach*, suitable for giving a deep understanding for a topic. (3) *Explanatory approach* used to find causations and explanations to a phenomenon and (4) *Problem-solving approach*, with the purpose of finding a solution to an identified problem.

This study's purpose is to contribute with insights and knowledge to the phenomenon of CAs and related research fields. It is therefore a study of an exploratory approach (Höst, et al., 2006). The exploratory approach is used when the intention is to answer the questions; when, where, how, and in what context, in order to present new findings and knowledge (Wallén, 1996)

The main purpose of this thesis is to investigate the possibility for TCO to construct a successful hybrid-model CA program, something which has not been addressed in previous research or literature. Therefore, the exploratory approach seems to be a suitable choice. The scope of the data collection was also set to broad since it was not known what findings were to be made when conducting the case study and collecting empirical data.

2.1.2 Qualitative Research Approach

Qualitative research takes place in a natural setting and is small in terms of numbers of persons or situations researched (Robson, 2011). When using a qualitative approach, it is crucial to have a consistency and structure when handling the data and avoid bias (Höst, et al., 2006). The study is conducted with a flexible approach instead of a fixed approach, since the scope is to get a profound understanding for the phenomenon of CAs. The design therefore might be altered during the project, including the scope (Robson, 2011).

2.1.3 Case Study Design.

The case study method was chosen due the fact that the phenomenon is currently existing which is in line with the application of case study (Yin, 2003) and furthermore, case studies are suitable for an exploratory approach (Höst, et al., 2006). Since the purpose of the study was to identify, define and suggest hybrid model of a successful CA, the case study was based on multiple cases with companies hosting similar programs to TCO.

2.2 Work Process

The work process was initiated with the formation of a preliminary research question. This was followed by a literature review to get a profound understanding of what topics had been investigated and researched in previous research of CAs. Thereafter identified gaps in the research lead to new insights and the development of the research question to its final form. To be able to approach the problem and come up with adequate information to answer the research question, the research method and research strategy were chosen.

The first process of the empirical data collection was identifying relevant interviewees and stakeholders to the study. This was followed by developing interview guides for the different stakeholders using existing literature and a pre-study with subject matter experts of CAs. This was followed by the process of finding suitable successful CA programs for the study. Using a funnel process, a directory of all operating CAs worldwide as of 2016 was examined and categorized. Out of the still operating CAs, suitable accelerators were selected. Potential interview candidates were recruited, interviewed and the data was summarized. The process of analyzing the data was initiated when the data from the above-mentioned interviews were collected. The analysis started off with comparing the external CAs and their features with accelerator of TCO. The second part of the analysis was to discuss potential hybrid models of CAs based on the analysis. Finally, the opportunities and challenges of TCO with developing the CA and integrating features of the external CAs are presented.

Based on outcome of the analysis, the contributions to existing literature were discussed and the conclusion with answers to the research questions were answered. Lastly, discussions of the validity, generalizability and applicability of the study and suggestions on future research were presented.

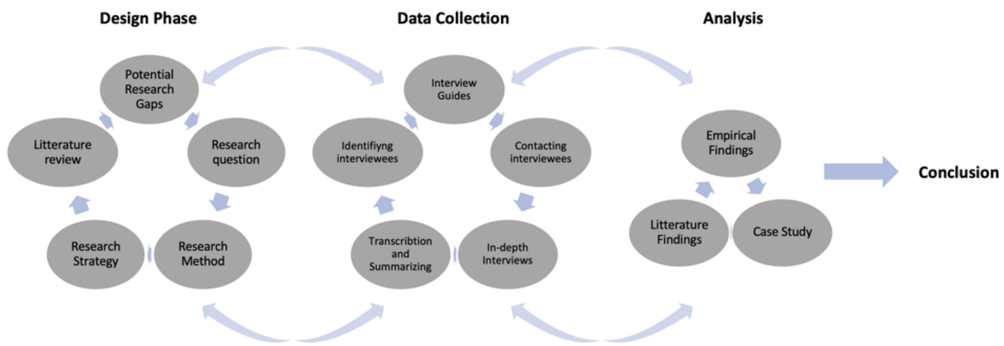

Figure 2.1 Work Process (Created by author)

2.3 Data Collection

When collecting data, it could either be of *qualitive* nature that consists of word and explanations and is rich of details and nuances or of *quantitative* nature which is data that can be counted or classified and processed with statistical analysis. (Höst, et al., 2006). For this study the data collection focused mostly on qualitative data, first from conducting a literature review and later on from case studies.

2.3.1 **Literature Review**

The literature review was structured by searching for and accessing scientific reports and research papers via well-renowned databases. The used databases were the following: (1) LUBsearch – The search database for Lund University that contains research articles, journals, theses (2) Scopus – a search engine for published papers with the ability to see related papers from citations. (3) Google Scholar – a search engine for published journals, papers, PhD theses etc. provided by Google.

To be able to delimit the data collection to relevant articles and consistent content the search was delimited to articles containing information on the following subjects; open innovation, corporate innovation, accelerators, Incubators, corporate entrepreneurship, entrepreneurship, startup financing, corporate accelerators and entrepreneurial support models.

The following search terms were used to retrieve literature on the previously mentioned topics: “corporate accelerator” “Seed accelerator” “incubator” “corporate entrepreneurship” “corporate innovation” “startup finance” “entrepreneurial process” “open innovation”

The secondary data consisted of 34 journal articles, 13 published books, nine reports, five conference articles, two web articles, one newspaper article and one white paper, in total 66 separates sources of secondary data.

2.3.2 **Interviews with experts**

To be able to fully understand what might constitute a hybrid model of a CA, and the current state of the CA phenomenon, interviews were conducted with subject matter experts. The purpose was to give guidance to the author in what to look for with the established accelerators and their opinion on the strategic fit and venture emergence model. They were also interviewed a second time as a way to validate the results and analysis from the data collection from TCO and existing solutions.

2.3.3 Case Studies

2.3.3.1 Selection

The sample selection for a case study analysis has two objectives, (1) a representative sample and (2) useful variation on the dimension of theoretical interest (Seawright & Gerring, 2008). In this thesis, where the selection is small, it is of uttermost importance that the cases are selected using a thought through process (Seawright & Gerring, 2008)

To find suitable cases a funnel approach was used that has been described under section *2.1 Work process*. The aim with the case study was to study successful CAs (defined as CAs launched in 2016 or earlier that are still operational) with a similar structure to the program of TCO. The first selection of CAs was the list constituted by Florian Heinemann (2015) that listed all CA programs worldwide as of 2015. The list included a total of 60 CA programs worldwide. Out of these 60, 29 were still active as of 2020-02-07 and were therefore viewed as successful enough by the author since the lifespan was five years or longer and constituted the second selection.

The third and final selection was a constructed from categorizing the 29 CAs using the standards described under section *3.6.2 Classification of Corporate accelerator Models*. Using the foremost the classification model in 3.6.2.1 *Classification based on Strategic Goals and Primary Objectives* and 3.6.2.2 *Classification based on Operating Entity* (not 3.6.2.3 since the information needed was not publicly accessible) nine CAs could be identified with having similar characteristics to TCO and were contacted in hopes of getting an interview and that their programs had characteristics of *Strategic fit* and *Venture Emergence* . Out of the nine, three of them were interviewed. See Appendix D – *list of Corporate Accelerators* for the full list of CAs.

2.3.3.2 Interviews

With case studies the data collection can be performed using observations, archive analysis or interviews (Höst, et al., 2006). And out of interviews, there are three different structure formats (1) Fully structured, (2) Semi-structured, and (3) unstructured, each with their own area of application since the structure of the interview affects the outcome and the reliability of the data (Robson, 2011). The empirical data collected through this research was chosen to be gathered using in-depth interviews that were of semi-structured character. The method allows for the researchers to adapt the pre-determined questions based on how the interviews unfolds, skip questions are not suitable and add unplanned questions (Robson, 2011). This was done by using interview guides with topics that are to be covered for the duration of the interviews.

2.3.3.2.1 Interviews with Case Organization

Representatives from TCOs CA and other executives were interviewed to get a better understanding of the strategic objective of the accelerator program and the organizational structure of the corporate. Startups that had participated in the previous batch of the accelerator program were also interviewed to get input on the performance and improvement points from an outside perspective.

2.3.3.2.2 Interviews with Stakeholders from Existing Solutions

The interviews with the established CA programs were essential to get an understanding in what constitutes and characterizes a successful and sustainable CA model. The interviews focused on the strategic purpose, background of the accelerator, and how the program configuration had developed over time and what the drivers of the changes in program configuration had been.

2.4 Data Analysis

The analysis of qualitative data is according to Höst et al. (2006) a process containing four different steps. The data collection, coding the data, grouping the coded data and finally drawing conclusions from it. Traceability is a key factor, meaning that the conclusions made from the collected data should be traceable to the statements on which they rely on (Robson, 2011). A common pitfall when analyzing the data is the difficulty of maintaining clear mind and avoiding biases (Robson, 2011). The interviewer therefore bore in mind to disregard first impressions and not letting the hypotheses affect the analysis.

The findings from the literature study was categorized and consolidated into subsections which were used as building blocks in the theoretical background and provided guidance in the construction of the interview guide and mapping of relevant stakeholders as interviewees. The findings were discussed with experts and researchers on CAs to identify key characteristics for hybrid models of CAs. The insights from the first interviews were taken into consideration along with the findings from the literature review when interviewing stakeholders from the CAs selected from the funnel process described in subsection 2.1.

The data from the interviews of CAs were compared to each other find empirical sweet spots of program configurations and activities, using three different frameworks. This was followed by the creation of two potential hybrid models for CAs based on the empirical sweet spots. Lastly, based on the findings from existing solutions, theoretical frameworks and startups participated in TCO’s program, insights were provided on opportunities and challenges for TCO to adopt and implement successful features of the established programs to accelerate the strategic fit and assisting participating startups to reach a viable stage for co-operation with existing business units.

2.5 Credibility of Study

The credibility of a study is depending on that the conclusions are well-founded, that the study is addressing the phenomenon the researchers want to study and that the results are applicable (Höst, et al., 2006). This can be achieved by improving the validity, reliability and transferability of the study (Rosengren & Arvidson, 2002).

2.5.1 **Validity**

Validity is described by Wallén (1996) as measuring what is intended to be measured and that the results are not affected by irrelevant factors. To make sure that data is described and interpreted in the right way. It is therefore crucial that the measurements align with the studies purpose. With a study of flexible design there is a threat to the validity in both terms of bias and rigor (Robson, 2011). To strengthen a study's validity one can use multiple sources, referred to as triangulation (Höst, et al., 2006). In this study, several sources were used throughout the data collection, in both literature review and the semi-structured interviews. The literature provided with insights from different perspectives. The interviews were conducted with different stakeholders, each with different backgrounds to get a nuanced set of data and the interview guides were developed in a considerate way to avoid potential bias in the way the interviewee was guided. As a final way to ensure the validity of the study the full report was reviewed by a subject matter expert providing his thoughts and opinions on the study.

2.5.2 **Reliability**

The reliability is the trustworthiness of the data collection and analysis in regard to random variations (Höst, et al., 2006) and that different measurements of the same nature on the same object gives the same results (Wallén, 1996). Researchers using a flexible design must not only be thorough, honest and careful in their work but must also be able to show to others that they have been (Robson, 2011). A majority of the interviews were therefore transcribed and multiple interviewees from different backgrounds were interviewed to get more reliable data. The semi-structured interviews were conducted in the same manner with all interviewees. A specific interview guide was used for all interviewees in each stakeholder category to be able to extract the relevant information and perspectives.

2.5.3 Transferability

The generalizability of a study determines to what extent the results and conclusions can be applied to other situations. It is a measurement of the representativeness and the transferability of the results (Höst, et al., 2006). This study was performed on CAs with similar characteristics, internal accelerators having a similar overarching strategic objective, to incorporate new solutions and technologies into their respective businesses. However, the myriad of types of CAs delimits the direct transferability to other types of CAs. This is also due to the fact that CAs are often adapted to the specific corporate and its structure. But for similarly designed and purposed CAs there might be some direct transferability.

3 Theoretical Background

This section aims to provide the reader with a necessary theoretical knowledge base by reviewing existing literature and research that is related to the subject. It gives an introduction to open innovation, entrepreneurship and corporate venturing. Lastly it gives a thorough review of available research and literature on corporate accelerators to be able to comprehend the information provided in the following section.

3.1 Open Innovation

In 2003, H.W. Chesbrough published a book called *Open Innovation: The New Imperative for Creating and Profiting from Technology*. It described and explained that large high-tech corporations have had past success and established themselves through internal R&D spending and a closed innovation perspective and have, because of this, been protected by great barriers of entry.

However, as the 2000's have emerged the barriers of entry have decreased significantly since entrepreneurs and small businesses can access and develop their knowledge with minimal resources (Bonini & Capizzi, 2019). And as highlighted in previous research, breakthrough- and radical innovations often originate with market entrants rather than incumbents (Ahuja & Morris Lampert, 2001); (Cooper & Schendel, 1976); (Foster, 1986); (Kirchhoff, 1992); (Schumpeter, 1975). Many explanations have been presented, but the "restrictive mindset" has been identified as the most significant one (Sandberg & Aarikka-Stenroos, 2014). This was the case with closed innovation corporations such as IBM, Motorola and Siemens. Whereas their rivaling companies Microsoft, Nokia and Intel used a different, Open, innovation perspective (Chesbrough, 2003).

The open innovation model is based on the concept that successful ideas can originate from both within and outside the company, meaning internally and externally of the firms' boundaries. As Chesbrough (2003) stated *"not all the smart people work for us. We need to work with smart people inside and outside the company"*. Using this network approach, which is common within high-tech industries, companies can lever the common challenges and unique competence of one another in the industry and gain a multiple of the input as output whereas the non-participants suffer from competitive disadvantage (Saint-Paul, 2003).

The open innovation model has been increasingly used. Corporate R&D units, that traditionally have kept external parties at a distance, are becoming increasingly transparent and the fast paced world, the demand for shorter innovation cycles and reduced time to market is not possible with a closed system (Enkel, et al., 2009). Most companies tend to have a combination of both closed- and open innovation, since too much openness can affect the long-term success due to loss of control and core competences (Enkel, et al., 2009). Furthermore, the model also poses some risk to the companies in terms of higher coordinating costs, increased complexity and barriers in finding the right partners (Enkel, et al., 2009).

3.1.1 **Outside-in Innovation**

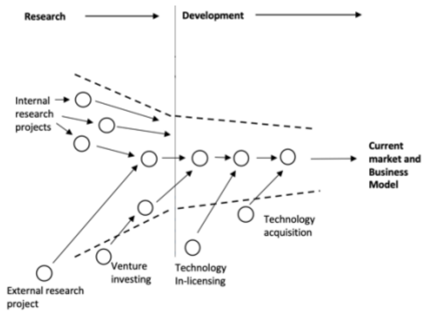

Figure 3.1 model of outside-in innovation (Chesbrough, 2003), recreated by author.

The outside-in rationale is driven by the idea that the locus of knowledge creation does not necessarily have to be the same as the locus of innovation (Enkel, et al., 2009). It is mainly utilized by integrating external suppliers, customers or knowledge sourcing in order to enhance the corporate's knowledge base (Enkel, et al., 2009). Another way of adopting the outside-in open innovation rationale is to fund startups, providing the corporation with invaluable market research of what is working, what is not and what is upcoming (Chesbrough, 2003). The funding can be conducted by either being a customer, a collaboration partner or to acquire the company if their activities and expertise are crucial in realizing the strategic objectives (Chesbrough, 2003). The collaboration with startups from corporations is of uttermost importance for this research regarding the CA phenomenon since the strategic objective is one of the key drivers in initiating and funding a CA program (Richter, et al., 2018)

3.1.2 **Inside-out Innovation**

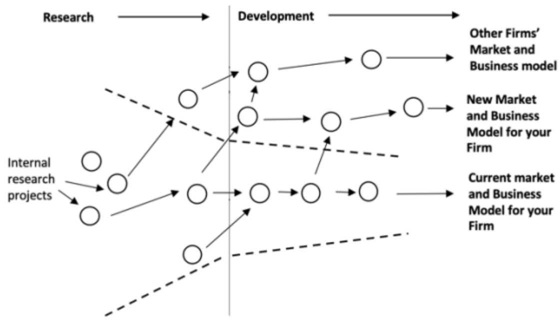

Figure 3.2 Model of inside-out innovation (Chesbrough, 2003), recreated by author.

The inside-out innovation model was suggested by Chesbrough (2003) as a way for corporations to create new revenue streams from intellectual property which is not in use for existing business and transferring it to external parties. The focus is to externalize knowledge and innovation to bring ideas to the market at a higher pace than what is possible with internal development, a process which could lead to licensing out or corporate venturing activities such as spin-offs and joint ventures. The inside-out model is mostly utilized by large multinationals and the perspective is of interest to this research in terms of describing the CAs that host internal as well as external ideas.

3.2 Corporate Entrepreneurship

When firms grow in size, their capacity of maintaining growth rate from pursuing business opportunities in their existing areas of business diminishes (Burgelman, 1984). At some point, corporations must therefore explore business opportunities marginally related or unrelated to existing business through either a corporate venture or acquisition, meaning engaging in some form of corporate entrepreneurship defined as: *Extending the firm's domain of competence and corresponding opportunity set through internally generated new resource combinations.*- (Burgelman, 1983). Corporate entrepreneurship in complex large firms is often constituted of interlocking strategic activities of managers at multiple levels (Burgelman, 1984). Usually, there are two simultaneously ongoing strategic processes in complex organizations, being the *induced strategic behavior loop* and *autonomous strategic behavior loop*.

Induced strategic behavior represents the traditional top-down strategic management implementing innovation throughout the organization and the *autonomous strategic behavior* loop represents the generation of innovation through entrepreneurial participants at product or market level conceiving new business opportunities and middle level managers getting the top's support leading to a redefinition of the organizations relevant environment and broaden the scope of its business portfolio (Burgelman, 1984).

These two process creates a potential conflict between excelling at incremental innovation and having a capacity for radical innovations (Burgelman, 1984) but being able to facilitate a capacity for, and pursuing incremental and radical innovation simultaneously is required for an established organization to be successful and develop (Schuh, et al., 2017). To assess internal entrepreneurial proposals Burgelman (1984) suggest a framework for corporations, assessing the strategic importance and operational relatedness of suggested projects and suitable design alternatives for these organizations based on the assessments.

Table 3.1 Organization designs for Corporate Entrepreneurship (Burgelman, 1984)

Operational Relatedness			
Unrelated	Special Business Units	Independent Business Units	Complete Spin Off
Partly Related	New Product/ Business Department	New Venture Division	Contracting
Strongly Related	Direct Integration	Micro New Ventures Department	Nurturing and Contracting
	Very Important	Uncertain	Not Important
		Strategic importance	

With each project, depending on the relatedness and strategic importance, the location of the administrative and operational linkages must be determined, especially with important projects which has an operational relatedness. The importance and relatedness is an assessment at a particular moment in time and may change over time as the project develops and would then require a reconfiguration of the organization design (Burgelman, 1984). The management also must make sure to have reward systems and measurements for the different designs in place (Burgelman, 1984).

3.3 Corporate Venturing

When an idea is generated within a company it might not be in line with the objectives and scope of existing business units, but still an idea with potential. To reap the potential benefits of this idea corporations have been using the model of internal incubators, that are similar to independent incubators in their services and offerings and are a way to create an entrepreneurial environment for the internal ideas to thrive in (Becker & Gassman, 2006). Internal entrepreneurial proposals are not the only way of sourcing innovative projects. Another way of obtaining a competitive advantage is to engage with external entrepreneurial proposals, such as startups that have disruptive and innovative businesses (Weiblen & Chesbrough, 2015). This can be done in different ways. Corporate Venture Capital (CVC) is a traditional way to access external knowledge by financing it. This allows the company to follow the interesting new businesses and their development. The investment could be leveraged to set the direction for the new business to better fit with the company's different business units for an easier future acquisition, or it could be a financially profitable exit (Weiblen & Chesbrough, 2015).

The fact that startups tend to be disruptive in their nature by growing and being increasingly more sustainable, it is more important to develop more agile and rapid methods for large corporations to engage with the startup community. Large corporations are therefore trying to collaborate with startups to incorporate them into their innovation engines, rather than just seeing them as agents of disruption (Weiblen, Chesbrough, 2015).

To make this work, Chesbrough and Weiblen (2015) presents three criteria that has to be met, (1) The corporations must be able to screen, identify, work with and monitor larger number of startups than before, a result of that the innovation ecosystems are growing bigger and global. (2) They must also be aware of how they should bring value to the startups that already have access to independent venture capital, incubators and other support institutions. (3) What they want out of the collaboration and engagement with startups is the final component, therefore the objectives and strategic goals should determine in what way the corporation should engage with the startups.

H.W. Chesbrough and T. Weiblen (2015) has identified four different ways for a large corporation to engage with startups that are in line with the three success criteria.

Table 3.2 Types of corporate innovation (Weiblen & Chesbrough, 2015).

Equity Involvement		**Direction of Innovation Flow**: Outside-In	**Direction of Innovation Flow**: Inside-Out
	Yes	**Corporate Venturing** Participate in the success of external innovation and gain strategic insights into non-core markets	**Corporate Incubation** Provide a viable path to market for promising corporate non-core innovations
	No	Startup Program (Outside-in) Insource external innovation to stimulate and generate corporate innovation	Startup Program (Platform) Spur complementary external innovation to push an existing corporate innovation (the platform)

Despite the fact that the startup program for both inside-out and outside-in innovation flow have similar characteristics in being startup platforms, they might differ a lot with the intrapreneurs participating in an internal startup program usually getting resources far greater than external startups. But at the same time the external startups might be more agile and more creative in their product development (Chesbrough, 2003).

3.4 Entrepreneurial Process

For an entrepreneur to be successful, he or she must go through the entrepreneurial process described by (Timmons & Spinelli, 2004) where the success is determined by the ability of the entrepreneur to balance the opportunity, the team, and resources.

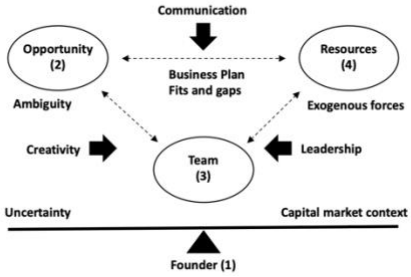

Figure 3.3 The entrepreneurial process (Timmons & Spinelli, 2004), recreated by author.

The opportunity is what the venture is based on, the first step with any startup and is what drives the venture and team. The opportunity is the most important component since it is what ensures the potential long-term success of the venture or business. For every 100 ideas, usually fewer than 4 get funded by investors (Timmons & Spinelli, 2004) . A good opportunity is defined by underlying market demand, the market size and economics of the business i.e. robust margins, whereas high potential opportunities solve an important problem, need or want. The opportunity is rarely static from its emergence, but is crafted, molded and reinvented. To be able to realize the potential of the opportunity it is critical to have a creative team that can remove ambiguity and potential uncertainty of the opportunity. To put together a team of suitable size and talent based on the nature of the opportunity is a key characteristic of a highly effective entrepreneur (Timmons & Spinelli, 2004). The team can either lead the venture to great success or waste a great idea depending on the characteristics of it. The team consists of the entrepreneurial leader and the rest of the team. Important characteristics of the team are relevant experience, tolerance of risk and uncertainty, adaptability and opportunity obsession etc. The team is the component that can unlock the potential of a great opportunity and also cope with the stress related to the growth of the business. The resources are the final component and consists of financial resources, assets, people and your business plan which is more of a process than an end product. Timmons and Spinelli (2004) argue that bootstrapping and being effective with minimal resources is a better way to attain competitive advantage rather than having extensive resources, and that having too much capital in early stages could be detrimental (Timmons & Spinelli, 2004). They also state that the entrepreneurs most valuable secret weapon is building a brain trust of the right mentors, advisors and coaches. The balance and fit of the three components are what the entrepreneur has to focus on since they rarely match, and the environment is everchanging. The timing of the process is equally important since each combination of the three components occurs in real-time.

3.4.1 Funding

Funding is crucial for the venture to develop and survive in its early phases. Historically nascent firms have been using four types of traditional sources of funding. They have normally been bootstrapping, family & friends, angel investors and venture capitalists (Lynn Hoffman & Radojevich-Kelley, 2012). By cutting costs, turning fixed costs into variable costs, selling assets and leasing items instead of buying in combination with borrowing funds from family and friends, entrepreneurs have been acting in accordance with Timmons model. But when new ventures are in need of substantial investments, they tend to source this capital from either angel investors or venture capital firms (Lynn Hoffman & Radojevich-Kelley, 2012)

In the later funding rounds, the investors are usually venture capital firms that invest $50,000 to $5,000,000. They have been the dominant early-stage funding source due to their expertise in screening & evaluating startups, investment practices and operations (Cumming, 2008). For startups to receive this kind of funding they must be able to present a business which is scalable. Scalability is widely used as a parameter for venture capital funds to invest. And all companies are at some point scalable but might need to adapt their business. The investment is not denied due to the fact that the team lacks ambition but due to the lack of marketability which is the case of many R&D intensive startups model (Bonini & Capizzi, 2019). They spend a high percentage of their resources onto R&D and might need a follow-up investment to convert this knowledge into a product which is possible to sell and scale. This is often a small investment, €50,000 to €300,000 (OECD, 2017) that falls below the minimum size ticket of venture capital firms that usually have a minimum investment ticket in highly innovative firms of €1,000,000 (Kaplan & Lerner, 2014). This creates a *funding gap* between the investment needed and the investment available due to high transaction costs of screening and evaluating startups (Bonini & Capizzi, 2019). However there has been an emergence of alternative investment sources in the last decade including incubators, technology parks, business-angel networks, angel investment funds and accelerators providing both equity and debt-based investments (Lynn Hoffman & Radojevich-Kelley, 2012) each with their own unique risk-profile and investment objective (Bonini & Capizzi, 2019). This provides alternatives for startups to bridge the funding gap. Angel investors are usually wealthy individuals that invest in startups for equity or ownership (Hatten, 2015) and invest in the early funding rounds of new ventures, earlier than venture capital firms, due to a personal interest in the industry or experience from it. They tend to invest in the ranges from $10,000 to $2,000,000 in a startup (Lynn Hoffman & Radojevich-Kelley, 2012), take a minority equity stake and are usually actively involved in the companies (Bonini & Capizzi, 2019). Their key role is to bridge the funding gap between the family & friends and Venture Capital firms.

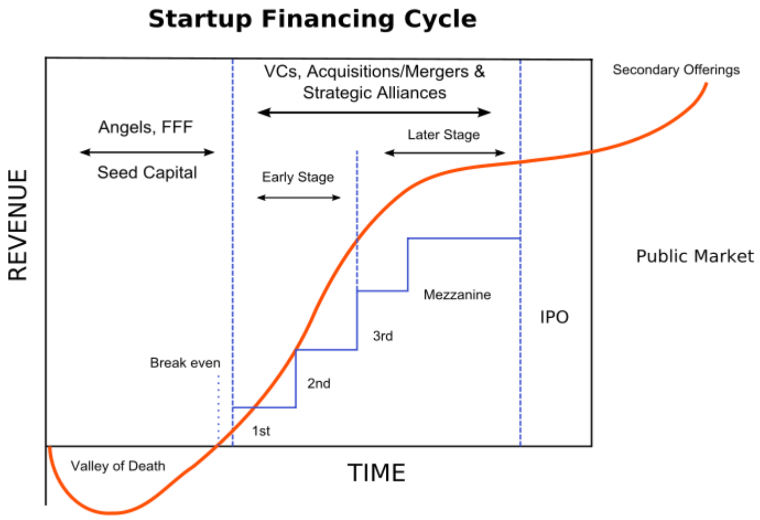

Figure 3.4 The startup finance lifecycle (Kompere, 2009)

3.4.2 Know-how and Mentoring

For entrepreneurs there is also a need of guidance and counseling apart from funding in developing and growing their ventures as mentioned by Timmons & Spinelli (2004). Entrepreneurs have different agents to supply them with mentoring and advising when growing and facing the common challenges of starting their own businesses. One of these have been the business angels, that usually are former entrepreneurs investing and teaming up with new ventures to contribute with their experience (Bonini & Capizzi, 2019). Since the 1960's there has been also been independent incubators for which entrepreneurs and new businesses could partner with to overcome the barriers of the entrepreneurial process (Dahl, 2011). Incubators provide groups of nascent businesses with shared workspace ad-hoc mentoring and services for them to develop into an independent business. In exchange for this the incubator often charges a monthly rent (Cohen & Hochberg, 2014). The vast majority of incubators are also run as a non-profit entity. But incubators is not the only support model. There are also additional models in the innovation ecosystem that can be leveraged or collaborated with to face the challenges of optimizing the business model or develop a minimal viable product (MVP) and get exposure to potential investors.

Table 3.3 List of entrepreneurial support models in innovation ecosystems **(INBIA, 2017)**

Entity	*Description*
Coworking spaces	Offer an open collaborative community-based workspace for like-minded individuals with flexible workspace and companies pay either a rent or a membership due. Does not usually offer formal programs or mentoring but arrange meetups or optional informal learning sessions. Usually no application nor selection process and is funded through the tenant's rents.
Small Business Development Centers (SBCD)	A cooperative service-based center that is subsidized by government agencies, higher education institutions or economic development organizations. Provide learning opportunities and mentoring for small businesses, regardless of industry on a rolling basis without graduation. Can offer office space but focuses on walk-in counseling and or training. Aims to foster local and regional business growth and economic development
Pre-accelerator	Similar to seed-accelerator with the exception that they do not provide equity funding but might offer grants or access to a community evergreen fund. Startups apply through a competitive selection process and is offered mentoring and services during a 3-6 months period followed by a graduation.
Makerspace	A non-program-based community workspace which provides technical equipment for specific types of manufacturing, e.g. 3D-printing, woodworking, food etc. They also provide with tools, training and specialized equipment to create or build physical products.
Super hub	A blend of several models for entrepreneurial growth at a single location, often in the shape of an incubator that might also have accelerator programs, co-working spaces and network events. Often the anchor hub for an innovation ecosystem
Seed-accelerator	A cohort-based program that have a competitive application process, offers funding for equity in participating startups. The companies receive training and mentoring and graduate through a pitch- or demo-day to potential investors and key stakeholders. Can offer office-space but also be held on a virtual platform.
Incubator	Offers office-space and program offerings including mentoring, training and informal learning opportunities as well as hosting networking events. Usually an industry- or sector-focus and is funded through rents of tenants that graduate in one to three years' time.

3.5 Accelerators

The first accelerator was established in 2005 with the Y-Combinator based in Cambridge, Massachusetts and was referred to as a seed-accelerator (Cohen & Hochberg, 2014). The idea of the accelerator program offered by Y-Combinator was to invest a small amount of capital into a batch of startups and then advise and support them for a three months' time and potentially have long term financial gains. After the internet bubble bust in 2000, the venture capitalists were reluctant to invest and angel investors could not solely provide sufficient capital to nascent businesses which resulted in greater barriers for new business to launch (Mitchell, 2009). This created a gap for the seed-accelerator to grow as a new investment-entity (Lynn Hoffman & Radojevich-Kelley, 2012). After the introduction of Y-Combinator there has been a surge in the number of accelerators, in 2014 there was over 3000 active accelerator programs worldwide (Cohen & Hochberg, 2014).

The function and definition of accelerators has not changed drastically over time and have similar characteristics to the initial Y-Combinator program. As described by Cohen and Hochberg (2014) an accelerator program is *"A fixed-term, cohort-based program, including mentorship and educational components, that culminates in a public pitch-event" that would allow them to "help ventures define and build their initial products, identify promising customer segments, and secure resources, including capital and employees"* (Cohen & Hochberg, 2014). Similar in its services to what previously had been offered by startup incubators such as mentoring, education and technical assistance as well as seed investments (Dempwolf, et al., 2014)). But what set the two entities apart was the facts that the accelerator was a fixed-term program for a group of startups, offering the activities at much more rapid pace that would make the participating startups to an accelerated development (Cohen & Hochberg, 2014). The pre-set time span of the accelerator causes the companies to get a lot of work done in a short period of time, reduces the codependency, and leads to an accelerated growth or failure, which both could be beneficial (Cohen, 2013)

The accelerator is a newer phenomenon and have in common with the previous mentioned support models that they all want to help fledgling ventures (Cohen, 2013). The business model of accelerators, where the revenue is based on the success of the participants, gives the directors greater incentives for assisting the startups (Cohen, 2013) and making sure that they utilize the resources and services that are provided, something which often is not the case with incubators that often charges fees for them (Hackett & Dilts, 2004).

The accelerator screens a large number of startups which goes through a selection process where a number of promising startups are offered a spot in the group of participating startups often referred to as a cohort. The accelerators are often very selective in which startups that are accepted to be able to achieve the goals of their investments, resulting in acceptance rates as low as one percent (Heinemann, 2015).

The selected startups are offered capital that ranges from $0 to $50 000 as well as services including mentoring, technological support etc. For this the accelerator gets a minority stake of the startups that ranges from five to eight percent of the company (Cohen & Hochberg, 2014).

This is one of the main differences between incubators and accelerator programs. The accelerator has an alternative business model where the revenue is generated from equity in the participating startups instead of rent for office space and services, which is the common form for incubators (Cohen, 2013). Accelerators are therefore to a large extent self-sustaining, which is highlighted by Dempwolf, Auer, D'ippolito (2014) in their definition of the accelerator. The pitch- or demo-day that often is the final activity of the program, where the startups pitch to potential investors, facilitates the short-term goal of supporting startups and the long-term goal of providing financial returns from the initial investment.

Due to the fact that accelerator program has three different sets of customers, startups looking for mentoring and funding, venture capitalists looking for investment opportunities and organizations running the accelerators, increasing the value of the startups (Dempwolf, et al., 2014) jointly benefiting from the brokerage function

> *" the value is an emergent and unpredictable reward based on the social capital created among the parties. Nonetheless, they are intentionally enhanced by such factors as the brand effect and cohort design of the accelerators" - (Dempwolf, et al., 2014).*

The accelerator can be differentiated by sector, technology industries, the combination and customization of brokerage, mentoring and funding activities. The alternative to participate in an accelerator program is to engage in an incubator and or with angel investors, which both are common and established entities in the startup ecosystem.

> *"Essentially, accelerators disaggregate the financial resources and knowledge resources previously offered by incubators and angel investors, and provide more advice and less money than either one." – (Cohen, 2013)*

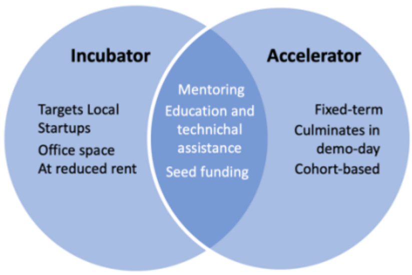

Figure 3.5 Venn diagram of incubator and accelerator characteristics (Dempwolf, et al., 2014), recreated by author.

3.5.1 Types of Accelerators

Apart from the original seed accelerator model established by Y-Combinator, there are several other different types of accelerators, university accelerators which stimulates the innovation ecosystem and CAs that aims to find new businesses and products. All of them have different business models, which is a result of their objectives (Dempwolf, et al., 2014). However, the two accelerators which are governed or owned by for-profit/private interests, innovation (seed) accelerators and CAs could both also have an incentive for maximizing profit from investment in equity in the participating startups in their respective accelerator. (Dempwolf, et al., 2014).

3.6 Corporate Accelerators

The first CAs emerged in 2010 and 2011 with companies such as Citrix, Telefonica, Microsoft and immobilienScout. By the end of 2015 there were over 60 CA programs worldwide (Heinemann, 2015), some companies have several accelerator programs simultaneously at different locations e.g. Orange (Mahmoud-Jouini, et al., 2018).

The CA is similar in its offerings and setup to independent-, seed- or startup accelerators (Richter, et al., 2018) but dissimilar in their main objective of generating return from their investments. The CA aims to "grow and manage portfolios of complementary startups to accelerate innovation and gain a competitive advantage" (Dempwolf, et al., 2014) and they are doing this by; accelerating the innovation process, scanning its surrounding's for the next generation products and potential threats and extending growth options by taking a share in startups with a focus on disruptive innovation (Richter, et al., 2018). It is an instrument for established companies to collaborate and partner with new ventures and startups in hope to profit from their knowledge, creativity and innovative capacity (Eckblad & Gutmann, 2019) but also to enable internal innovation from employees (Dempwolf, et al., 2014). It is therefore a potential vehicle of both outside-in open innovation, in line with the collaboration of startups (Chesbrough, 2003) and also inside-out innovation similar to internal incubators (Weiblen & Chesbrough, 2015). Whether the inside-out or outside-in scope or a hybrid model of the two is implemented is determined by the strategic objectives of the CA.

3.6.1 Characterization

> *"Unlike independent accelerators, which inherently have to adhere to an equity-based model to create revenues and finance themselves, corporate initiatives can be found in a wide variety of forms. While some, for example, invest for equity, others do not. Some might impose commercial preference rights, while others simply sponsor their ventures."* (Kupp, et al., 2017))

The CAs are characterized by a set of activities: (1) a competitive and open application process, meant to (2) select a group of startups which are going to participate (3) in what usually is a short time-limited program (4) including mentoring, networking and coaching (5) as well as an investment with or without equity in the startup from the incumbent, usually in the seed or pre-seed stage (Jackson, Richter 2017) (6) and ends with a demo-day where the startup pitches to potential investors (Mahmoud-Jouini, et al., 2018). However, many of these activities are standard features of non-CAs. The difference lies with a more strategic objective which influences the configuration of the program (Kanbach & Stubner, 2016). The unique features of the CA as presented by Richter, Jackson, Schildhauer (2017) is how the it blends competences and structure of the external startups with corporate and their mutual benefit. But the program is organized and determined by the corporate in its entirety.

Table 3.4 Unique features of corporate accelerators (Richter, et al., 2018)

Program feature	***Action model Essential features of corporate accelerators***	***Common but not essential Features of corporate accelerators***	***Change model Proposed enabling structures and mechanisms***
Strategy	Directed as strategic objectives of the firm or department, but strategic goals are often varied (e.g. product development, brand enhancing often as by-product, learning, early warning.	Corporate strategy can be emergent through new learning	A clear and compelling purpose articulated to direct the program will sustain commitment and engagement with the program. A strategy for implementing not only innovation but innovation based on corporate accelerators is necessary (Vanhaverbeke, et al., 2017)
Resource	Processes initiated and funded by an established firm. Improved access to knowledge, networks, customers, internal staff, processes for the startup	Offers company-internal resources and expertise to the startups	Active senior management involvement and oversight will ensure the provision of resources and support to the program (Standing, et al., 2016)
Procedure	Established firms determine context, duration and form of the accelerator	Outcomes, processes and event may be kept confidential	A Competition for positions, a fixed duration, lean methodologies and rapid feedback in a corporate accelerator is more likely to result in high-achieving, teams of startups being selected, who will be compatible with the firm (Richter, et al., 2015)
Structure	Organizationally separated from established organization although it is an internal program	Can be in-house, outsourced, run in collaboration with other firms. Can be owned by business department or innovation group.	An accelerator which is removed from the everyday load of corporate bureaucracy and interference will move at a faster pace and with greater agility towards the goal of radical innovation (Vanhaverbeke, et al., 2017)
Roles	Will have a company project manager/responsible person	Participants can come from within or outside the firm. May have senior management attention and governance	A well-managed accelerator, with experienced personnel and mentors from outside and inside the company, will provide relevant and useful guidance and inspiration to startups. Startups who are given autonomy and treated as partners not subcontractors are more likely to remain committed to mutual goals and maintain the higher levels of energy to achieve radical innovation (Jackson & Richter, 2017)
Environment	Learning from knowledge available from outside of their own boundaries are critical		A positive, supportive corporate culture will facilitate interactions and enable the corporation to make sense of the emerging innovations. An organization with high absorptive capacity (Cohen & Levinthal, 1990) will be more capable of internalizing new, potentially disruptive ideas (West & Borgers, 2014)
Metrics and output	Clear customer focus and control through tests of customer fit	Not necessarily considered important Can include innovation KPIs (products, services, projects, learning)	Only ideas that can be sold to investors or customers as business cases survives (Ries, 2011). An organization needs to create measures for these purposes.

3.6.2 Classification of Corporate Accelerator Models

Due to the fact that CAs tend to have divergent strategic goals and primary objectives to one another (Richter, et al., 2018) there are many different types of CAs based on the fact that the organization (e.g. resources, procedures and structures) of the accelerator has to be adopted to fit the strategic objectives.

3.6.2.1 Classification based on Strategic Goals and Primary Objectives

The classification set by Kanbach and Stubner (2016) applies to the distinction of CAs based on their primary objectives. They present a model of four different CAs, with three of them being driven by a strategic rationale and one being a product of a financial rationale. The model applies to CAs that are run by the corporation or with assistance by an organization.

Table 3.5 Corporate accelerator typology (Kanbach & Stubner, 2016)

		Overarching Strategy			
Accelerator type		**Listening Post**	**Value Chain Investor**	**Test Laboratory**	**Unicorn Hunter**
Objective		Strategic	Strategic	Strategic	Financial
	Primary Objective	Understand recent trends and developments in a respective market and initiate relationships	Identify, develop, and integrate new services into parent company's value chain	Create a protected environment to test promising internal and external business ideas	Invest in promising startups, make them more valuable and earn a financial premium
Program Focus	Locus of opportunity	External	External	Internal & External	External
	Strategic Logic	Exploration	Exploration	Exploration	Exploitation
	Industry focus	Somehow related to parent company	Strongly related to parent company	At least somehow related to parent company	Broad Industrial focus
	Equity involvement	No	Yes	Yes	Yes
	Venture Stage	Frequently very early stage, but also later stage (depending on industrial focus)	Later stage with developed products and customers	Early stage, often in idea status and not legally founded	Early and later stage
Program Organization	External partner	No	Partly	No	Partly
	Connection to parent	Part of Parent	Part of parent	Separate legal entity	Separate legal entity
	Leadership Experience	Internal / external	Internal / external	Internal	External
Example		YouIsNow Accelerator (ImmobilienScout24); Microsoft Ventures Accelerator (Microsoft)	TechStars METRO Accelerator (METRO AG); SPACELAB (Media-Saturn Holding)	:agile Accelerator (EON); Allianz Digital Accelerator (Allianz SE)	Axel Springer Plug & Play (Axel Springer AG); Pro7Sat. 1 Accelerator (Pro7Sat.1)

3.6.2.2 Classification based on Operating Entity

CAs can also be categorized by their operating entity, which was first mentioned by Hochberg (2016) who presented four different types of CAs with four different operating entities, being independent accelerator, internal accelerator, powered by accelerator and consortium accelerator. But little was presented in terms of characteristics. This research was later extended by Moschner et. Al. (2019) who presented four different kinds of accelerators based on the operating entity of the accelerator. Their research was based on case study of 33 CAs that fulfilled their four criteria.

3.6.2.2.1 In-house Accelerator

The in-house accelerator is the model where the corporate is responsible for the program and it is held in-house. It is the model that has been mostly discussed throughout previous literature. It is mostly used by large corporate organizations to get to know startups to solve internal problems or for growth opportunities by using an open innovation collaboration as well as benefiting from potential positive branding effects.

Program characteristics

The program is aimed at external early stage startups as an explorative search strategy and does not usually take equity in the startups that receive capital in the ranges of €25 000 to €50 000.

Special features

The parent company can modify the program and its features since they have full control. It implies a high risk if it were to fail due to substantial investments, human resources and organization. The manager is often a corporate employee with a broad network in the company. The startups fear that the corporate structures could harm them.

3.6.2.2.1.1 *The Multiple Accelerator Model* (Mahmoud-Jouini, et al., 2018)

A version of the in-house accelerator. When a corporation has a network of several accelerators there are three distinct ways in how accelerators and therefore startups could benefit from the incumbents relations, (1) relation to the local market mediated via the incumbent (2) relationship with other parts of the incumbent (HQ or elsewhere) (3) relationship with the local ecosystem.

3.6.2.2.2 Hybrid Accelerator

This configuration is similar to the internal accelerator with the difference that it complements the external startup with internal innovation projects run by corporate employees that are treated as startups to accelerate its development using inside-out innovation (Weiblen & Chesbrough, 2015).

Program Characteristics

Explorative search scope for early stage startups receiving human resources rather than capital. The corporate does not take equity for the investment (€0-€30 000) which aims to lower the threshold for participating. The focus lies with having a cultural exchange between the internal employees and external startups from which they can learn from one another turning the corporate employees into potential change agents to the established firm.

Special Features

The setup requires human resources rather than financial. The informal and informal cultural exchange could be transferred to the corporate via the internal projects and internal projects that are not highly prioritized within the organization could be advanced in short time.

3.6.2.2.3 Powered by Accelerator

An independent accelerator manages the model on the behalf of a single organization. The corporates using this model evaluates startups to enable a subsequent investment at an earlier stage than possible with a traditional corporate venturing unit such as a CVC. The corporate is collaborating with an external accelerator provider with professional assistance to build and professionalize the startups due to the fact that the aim is to gain financial returns rather than building relevant knowledge base.

Program Characteristics

Explorative search scope for external early stage startups that get approximately €100 000 for a five to six percent stake of the company. The startups are integrated into the local innovation ecosystem and introduced to external investors. The participants are necessarily not from same industry as corporate. Usually not located at nor close to corporate.

Special Features

The startups receive extensive financial support as well as some human resources. Even though that the accelerator is mostly operated by external partners, the managers or directors tend to be well-connected corporate employees responsible for communication and information exchange. The model is attractive to startups due to professional experience and reputation of the provider as well as enhancing the startup brand and credibility.

3.6.2.2.4 Consortium Accelerator

External accelerator that provides its services to multiple corporate organizations, therefore similar to the powered-by-accelerator but with multiple hosts.

> *"A combination of the in-house and powered by accelerator"- (Moschner, et al., 2019)*

Program Characteristics

Exploitative or explorative search scope for early stage external startups. The external provider is running the program off-site remotely from the corporates with the ability to adapt it to the preferences of the participating sponsors. The corporates provide the accelerator provider with the preferred scope such as specific technologies or solution to a problem and select the participants that have been screened and scouted by the provider. Funding is provided €25 000 and might hold or doesn't hold equity.

Special Features

Since it is, similar to the powered-by accelerator, run by an external provider the barriers of entry and exit are lower for the startups which sees it as an intermediary and it does not require in any internal organization from the corporations. The corporates can tap into innovation ecosystems and is provided a platform for which they can use to share best practices on how to collaborate with startups. Corporate employees can also visit to exchange ideas and knowledge but does not have accelerator management responsibility.

3.6.2.3 Classification based on process

As a final way of characterizing CAs comes the classification set by Shankar and Shepherd (2019) which focuses more on the processes of the CA program and activities associated with it. They establish the two types; accelerating venture emergence and accelerating strategic fit. Programs with accelerating strategic fit is focusing on speeding up the fit with business units of the parent company, with either complementary/beneficial innovations or disruptive innovations to adapt to the future. Accelerating venture emergence is primarily about focusing on the ventures development and the parent company is agnostic of the industry or sector of the startup to reserve the rights to play in the future (Shankar & Shepherd, 2018). The strategy is chosen by the corporate and the two pathways are according to Shankar and Shepherd (2019) divergent, meaning that each strategy is separated from the other and that the chosen strategy is implemented in all aspects of the program design. The study is aimed at finding potential models where both strategies can be implemented and have features of each strategy to different extents.

Table 3.6 List of characteristics of Accelerating Venture Emergence & Accelerating strategic fit (Shankar & Shepherd, 2018)

	Overarching Strategy	
	Strategic fit	**Venture Emergence**
Strategic posture	• Engage with startups to explore new technologies/innovations that could impact or be useful to existing business. • Enhancing competitiveness and/or responsiveness to industry or market developments	• A portfolio approach with focus on reserve-the-right-to-play. • Tendency for portfolio-creation where CA is given opportunity to exercise options in the future. • Have an ability to create new abilities to sell products and bring different use cases for corporate technology
Investment Horizon	• Short- to medium-term gains in existing business. • Increase in sales and cost savings. • Proof of concepts (POC)s, partnerships as measures of progress and value. • Not the next big investment opportunity but getting access to new, exciting and promising for the future of the company	• Seeding investments for long-run gain. • With equity to have a stake in a potential unicorn or target for acquisition in the future. • Without equity through giving access to corporation platforms and increase number of users/customers/evangelists on its platform • gain insights on how to enhance the platform and customer trends.
Identification of potential ventures	• Strategic fit with business units as selection criteria • Focused search-field to core business • Involve senior corporate leaders in selection jury • Employ scouting and encourage startups to apply	• Product-market fit as selection criteria • Broad in communication, Sector/technology agnostic • Experienced entrepreneurs, VCs, Angel investors involved in selection jury • Early stage ventures if promising team or idea
Corporate Acceleration	• Access to each other's solutions as a mutually beneficial exchange • Facilitating exchanges between ventures and key people and departments, removing barriers • Connect to customers through references • Identifying POCs with business units • Periodic reviews on growth of collaborations • Internal mentoring, scaling with a functional corporate perspective	• Enable ventures to capitalize on the corporation's reputation to access markets • Issue-based interactions with experienced entrepreneurs/investors • Focus on growth metrics; sales, Customer acquisition • Periodic reviews on market access and growth, Key to get ventures in "customer acquisition mode" • Mentors being external, experienced entrepreneurs

3.6.2.4 Summary of classification

With the three different types of categorization of CAs you can construct a 3x3x2 matrix to differentiate CAs from one another and also split up larger sets of accelerators into subsets to be able to compare similar CA's with each other as seen in *Appendix D – list of Corporate Accelerators.*

3.6.3 **Barriers and Criticism of Corporate Accelerators**

The dissimilar characteristics between corporates and startups can lead to the arising of conflicts. Jackson and Richter (2017) studies the different conflicts and categorizes them as *ideational conflicts* described as "…the constraining, necessary contradiction between startups and established firms which results from a deep ontological contradiction at the level of ideas" (Richter, et al., 2018) and *material conflicts* "…competitive contradictions which arise when both groups compete for the same resource or for different material outcomes" (Richter, et al., 2018)

Despite the fact that the conflicts leads to tension between the entities, they are also beneficial for both parts as they learn from one another, but at the same time, Jackson and Richter suggests that they should not be ignored "…significant tensions in values, perceptions and modes of operation that need to be addressed in collaboration is to flourish" (Richter, et al., 2018) and due to these differences one should not try to forcibly push ones organization and structure onto one another (Lindener, 2019).

The selection of startups is a key in creating an environment that both parties can benefit from, but is something that the corporates are struggling with due to their difficulties in scouting, identifying and selecting the startups with the best fit (Lindener, 2019).

An accelerator program is a relatively short time out of the life of a startup, but the effects can be profound on its long-term performance. The ties a potential investment creates to the corporate and or its preference rights to the startups IP might make external investors cautious to invest, which both affects the startup and the corporate in a long-term-perspective (Bradford, 2014). If the startup and corporate mean to continue their collaboration after the program, the startup tend to face the rigidities of corporate processes which are time consuming and could fetter the startups growth potential or strip them of cashflow (Moschner, et al., 2019).The longevity is also depending on the objectives and scope of the CA, which are tied to the director of the program. This could be risky for the startups since the director might be replaced are along him or her the objectives and scope (Bradford, 2014).

3.6.4 **Effects of Corporate Accelerators**

A CA has potential to benefit to both the internal corporation and the participating startups as well as the surrounding innovation ecosystem. Startups participating in accelerator programs have an improved mortality rate, (Regimi, Ahmed, Quinn, 2015; Sharama, Joshi, Shukla, 2014) and a positive impact on startups growth, value proposition, team building and revenue plan (Sharma, Joshi, Shukla, 2014). The startups also gain easier access to capital from investors, and this is a regional effect on the innovation ecosystem. Since the lowered search costs both applies to investors and entrepreneurs, accelerators stimulate an increased amount of startup investment activity (Fehder & Hochberg, 2014).

With an internal CA, there are also effects on the internal resources (Selig, et al., 2018). The accelerator leads to *operational renewal* with new structures and processes learnt from the startups, *entrepreneurial employees* from their engagement with ventures which in turn leads to entrepreneurial multiplicators within the company as well as know-how creation, *new business creation* both related and unrelated to existing business and *strengthened position in the innovation ecosystem* providing new investment and business opportunities (Selig, et al., 2018)

3.6.5 Success of Corporate Accelerators

To be able to attribute the potential benefits of an accelerator, there are success factors that need to be taken into consideration when setting up a CA.

The corporate need to take several aspects into consideration, both in terms of the design and processes as well as align the strategic objective with a suitable accelerator model. Kohler (2016) named these aspects the *Proposition* - strategic intent and financial objectives, *Process* - the elements and configuration of the program, *People- finding* the right startups, involving the right employees and management team, *Presence* – location, configuration off office space and operating entity.

Regardless of accelerator structure it is important for the corporate to have a management team or director with startup experience, and top-management backing (Kupp, et al., 2017), since it improves the performance of the participating firms (Wise & Valliere, 2014) (Bradford, 2014) (Kupp, et al., 2017). When screening the startups, the corporate should be selective when choosing startups, by finding the right selection criteria. This however could be difficult due to the surge of accelerator programs worldwide, which makes it harder to find successful programs to mimic (Kohler, 2016). It is also important to have a selection board that is suitable to the chosen strategic objective (Shankar & Shepherd, 2018). If it is an accelerator with the strategic purpose it is also crucial to have rigid procedures to ensure that the intake of program and participants generates innovations (Weiblen & Chesbrough, 2015) determined by long-term objectives and performance indicators (Kupp, et al., 2017).

A mutual success factor for the corporate and startup to reap the benefits of an accelerator program is to have a clear definition of the value proposition offered by the corporate to the startups (Weiblen & Chesbrough, 2015); (Kohler, 2016)) as well as transparent and aligned goals (Kupp, et al., 2017)

3.6.5.1 Metrics for Success

The success factors presented by Kupp, Marval, Brochers (2017) and Kohler (2016), provides guidelines on how one should set up a CA from an internal perspective, but do not present metrics on how to measure the success, a critical success factor for a CA (Dempwolf, et al., 2014); (Haines, 2014),

The discussion of what metrics an accelerator should be evaluated on has been addressed by Baird, Bowles, Lall, (2013) and Caley, Helen, (2013) There are both suggested short-term accelerator- and startup metrics as well as long-term metrics. However, these metrics apply to the general activities of accelerators and incubators. Considering the fact that CAs vary from one another due to the endless customization options regarding bundle of activities, scope and objective. The chosen metrics to evaluate an accelerator must take these specific factors into account. Richter, Jackson and Schildhauer (2017) presents that applicable metrics or KPIs are almost completely absent or regarded as useless by CA managers. As an example, there are insufficient metrics for measuring “successful failures” which is a result of the accelerated development (Dempwolf, et al., 2014). For CAs, the successful failures are beneficial for testing an idea for a fraction of the cost it would have generated in an internal development and creating opportunities for other ideas and ventures to (Dempwolf, et al., 2014).

4 Empirical Results

This chapter provides findings based on data collected from the in-depth semi structured interviews and material presented by the interviewees. The findings are divided into three different segments, subject matter experts, corporate accelerators, including startups that have participated in TCOs accelerator program and the development of corporate accelerators.

The data collection was conducted through 15 in-depth semi-structured interviews with key stakeholders. The interviewees were selected through a mapping of related stakeholders to the CA program of TCO and program configurations of external CAs. The purpose of the interviews was to obtain several perspectives on the matter of CA program configurations and sufficient as well as holistic data to address the research questions in a proper and thorough way.

In the first section of this chapter, the findings from the subject matter experts are presented followed by findings from CAs in general, the studied CAs programs including TCO and startups that have participated in their program. Lastly, a summary of the programs is presented.

4.1 Subject Matter Experts

For this study Subject matter experts were interviewed to add relevant experience and insights on the CA phenomenon, its development over time and program configuration designs. Partially due to inadequate information in existing literature and knowing what to look for when investigating the established CAs included in this study.

4.1.1 Interviewees

Table 4.1 List of interviewees, subject matter experts

Name	*Stakeholder*	*Name of Organization*
Thomas Kohler	Subject matter expert	Leopold-Franzens Universität Innsbruck, Austria
Raj Shankar	Subject matter expert	Nord University, Norway

Thomas Kohler is a professor at the Leopold-Franzens Universität in Innsbruck, Austria. He has focused most of his research on effective innovation platforms and how they are intermediaries between corporates and external innovators. On the subject of CAs, he has focused on how to make the collaborations between startups and corporations effective in both theory and practice and has written several articles on the matter.

Raj Shankar is a postdoctoral at the Nord University in Bodø, Norway. CAs were a part of his doctoral work when he was exploring corporate entrepreneurship as a broad area. His research on CAs has mostly been focusing on program design.

4.1.2 Findings

4.1.2.1 General Opinion

Both experts expressed that CAs is a growing and evolving phenomenon and make a lot of socioeconomic sense to be existing as organization and bound to exist and continue. It bridges the restrictions of the CVC that can only work with a small number of startups and is a promising tool. But the notion of that many accelerators have shut down indicates that there is still work to be done in fine tuning the programs. Corporates have clear benefits in running them and startups have certain advantages of joining CAs over independent accelerators or at least different values that they can derive.

4.1.2.2 Current state and Changes over time

The early accelerators were more of an experiment where they took in startups across different stages of the lifecycle and programs were not as structured as they are today according to the subject matter experts. Initially in 2016-2017 a lot of corporates initiated an accelerator out of publicity or to imitate competitors. Now corporates are looking to get concrete results out of the programs. There has been a general development in the selection of the startups with programs being more tailored around themes and program design.

4.1.2.3 Trends

> *"A general trend is that the corporate accelerators started off as a broad experimental setup to see if corporations can actually work with startups is now turning into some kind of more structured, intentional attempt to engage with them in a more organized way."- Shankar, 2020.*

Kohler (2020) stated the specific trends of the CA phenomenon are more cross-industry CAs that have emerged lately where several corporations work together and collaborate through a CA and that corporates are moving away from horizontal accelerators to vertical accelerators.

Without data to back his statement Shankar (2020) also highlighted that many accelerator programs are tending towards strategic fit except in the case of companies with a business which is principally platform-based. The corporations that have a platform-based business are generally the corporations which choose venture emergence-programs where the participants could leverage the platforms to accelerate their growth.

4.1.2.4 Success Factors for Longevity

The subject matter experts stressed the importance of the support and clear visions from the top management for engaging with startups as part of the corporate strategy. The program also needs resources in form of champions of the program who can bring the collaborations between the startup and corporate to concrete outcomes. Having separate divisions and resources, and at the same time a deeper connection with the larger organization is also important. The program also has to add some value to the startups even if they don't enter a partnership or collaboration with the corporate, which could be getting access to new customers, selling through or to the corporate or getting improvements of their business model and or product.

4.1.2.5 Pitfalls

Pitfalls exist in each dimension and are often misalignment in cultures and timelines as well as slow decision-making processes and bureaucracy. The subject matter experts agreed upon a main issue around people and how to structure the program. If there is a limited belief of the senior business managers within the company of the program's utility-value the lack of orientation could be a problem for the program to run. Both experts also mentioned location as a potential pitfall, which needs to correlate with the connection to the company's business. The further away from existing business, the more remote the accelerator should be located.

4.1.2.6 Essential Activities

Buy in from business unit managers and buy in from the top to make sure that the right innovation challenge is tackled and is in line with strategy of the corporate. Then to have the right innovation search field that applies to a specific problem will help you to reach your goals. Recruiting globally is important to get the best startups. To be able to accelerate the strategic fit, the selection is critical since it is a big challenge to assess whether there is a strategic fit or not.

"*So, one is getting the right set of people or the team that has to select these startups, having the right mix of entrepreneurially minded people from outside the organization, and also core businesspeople from within the organization. So, I think creating the right mix of people is absolutely essential, because otherwise you could miss important startups, and the second is the kind of mentoring that is provided. I think it's so important to have senior business leaders spend time with the Startups. Because the startup per see and not be valuable, but what they are doing with the problem, the training or the opportunity could be very important for the larger Corporation"- Shankar, 2020*

During the program making sure that the startups are getting to customer validation which can later help to get resources from the corporate and internal validation. It is also essential to have a plan for the follow-up on what likely pathways are to build and mechanisms in place to take these paths.

4.1.2.7 Involvement of Business Units

The involvement depends on whether the outcome of the program should be connected to an existing business unit or if the outcome could potentially build a new business unit. If there's a relatedness or an incremental innovation to business units, they should be involved early on when framing the search field to avoid the redirection of the program later. Otherwise the involvement might be a burden for the business units, or the program seen as a threat to their business. If the accelerator is of a strategic nature, it is of high importance that the business units are involved in the running of the accelerator throughout the entire program to establish a constant connection between the business units and accelerator startups. But if it's not related to existing business, the ties should be weaker. Then there might just be a need of on demand services from the support functions.

If it's outside of the current core business, then involving them could be detrimental. So, you might purposefully not include them or include them sort of as a measure, but that is a major decision maker. Because then you might have more trouble to fight the immune system of the mothership. - Kohler, 2020.

4.1.2.8 Combining Strategic Fit with Venture Emergence

Neither one of the subject matter experts rejected the possibility to create a hybrid model which supports both accelerating the strategic fit and venture emergence of the participating startups. However, the fusing of the program and the selection of startups might be difficult due to confusion in evaluation which startups to select. But there is a larger logic for why a hybrid model should exist.

"There could be startups which are not directly strategic in nature today but could open up new channels for the organization the future. So, if the company wants to create kind of futuristic options of potential enterprises in the future. Then doing venture emergence along with strategic fit makes a lot more sense than doing only one because you miss the other" – Shankar, 2020

The hybrid model will provide the corporation with proximal innovations from one whereas the riskier bets are provided by the other.

The proposed setup would be to select broad with a venture emergence focus and then to evaluate the strategic fit of the selected startups. The selected startups with a strategic fit would then be separated from the rest of the cohort and then you run the program as a dual process and then for the ending, you bring back together the entire cohort.

4.2 Development of Corporate Accelerators

4.2.1 **Development of Corporate Accelerators**

In 2016 there were 60 CAs worldwide (Heinemann, 2015) with backing corporates either running them by themselves or by outsourcing the operations to a third-party. Out of the 60 only 29 are still active as of 2020, see *Appendix D – List of Accelerators* for full list with characteristics of all accelerators. When looking at the industries represented in the CAs, Telecommunications, banking/financial services, Media/publishing and insurance were the most represented industries in 2015. In 2020, all industries have seen a decrease in the number of accelerators, but telecommunication was the least affected industry.

Table 4.2 List of corporate accelerators by Industry 2016 vs. 2020

Sector	***Number as of 2015 (out of 60)***	***Number as of 2020 (out of 60)***
Media/publishing	8	3
Telecommunications	10	9
Banking/financial services/insurance	8	5
Consumer goods/food	5	2
Internet services	4	0
Computer software/hardware/electronics	5	1
Retail	5	2
With only one in industry	13	7

Looking at the CAs from an operating entity standpoint, the success of each model has varied. The consortium accelerators and internal multiple accelerators have been unaffected since 2016 with all accelerators still being active. Out of the total nine internal multiple accelerators, eight of them were hosted by telecommunication companies. The internal CAs and powered-by accelerators are the types that mostly have been shut down as seen in table 10.

Table 4.3 List of corporate accelerators by operating entity 2016 vs. 2020

Type	*Number as of 2015 (out of 61)*	*Number as of 2020 (out of 61)*
Internal corporate accelerators	29	10
Internal Multiple accelerators	9	9
Hybrid Model	3	2
Consortium accelerators	2	2
Powered-by Accelerators	13	6

When it comes to the strategic objective of the CAs, the full picture is difficult to find for all accelerators from 2016 due to insufficient information. But out of the 29 accelerators still active, there are following findings:

- 15 takes equity in participating startups, 12 do not and for the three remaining there is no public information. However, of the CAs that take equity in participating startups, only seven take equity for participation (and initial funding) and the remaining 8 offer investment opportunities.
- 24 of the parent companies to respective accelerators have established CVC units. The remaining six companies are active in M&A but do not disclose via official channels whether they have an established CVC unit.
- Looking at the strategic objective stated by the accelerators, 14 pursue aims to accelerate the venture emergence and 16 aims to accelerate the strategic fit with the parent company.
- Out of the accelerator programs, 6 programs have instead been converted to other startup engagements such as collaboration platforms (5), investment funds (1) with the parent company still hosting an accelerator program.

4.3 Corporate Accelerators

4.3.1 The Case Organization

4.3.1.1 Company Characteristics

4.3.1.1.1 Company Presentation

TCO is a large high-tech multinational with over 100 000 employees worldwide. The accelerator program in Sweden is the first and only accelerator program of the organization. The program is held at the Swedish site office which is mostly a marketing and sales organization with sales KPIs and does not have presence of any business units, but have a variety of support functions (legal, finance, marketing etc.). More information on TCO is available in *Appendix A – Case organization.*

4.3.1.1.2 Background

TCO has had a *New Venture Division* located at their global headquarters in Japan, which sole focus has been on innovation and entrepreneurial ideas and projects from employees for seven years. The purpose has been to facilitate internal projects from business units to explore opportunities and create new businesses. In 2016 TCO launched a second hub at Sweden office site, sourcing internal ideas from employees and every nine months showcasing to executives from the headquarters. The hub created motivation and training for the employees and created a cultural transformation with employees but was not considered to be successful business-wise. External projects have not been included in this process. The accelerator is one of the first initiatives to source external enabling technologies for the organization, including the CVC branch of the organization, existing business units for proof of concepts (POCs) and potential new products for the New Venture Division.

4.3.1.1.3 Strategic Intent of the Accelerator Program

The overarching purpose of the program according to the managers is to create new business for TCO, both within the department of the program (The New Venture Division) and to existing business units. The goal is to attract somewhat mature companies with enabling technologies, meaning technologies which can enable products or services for TCO. The program is framed as a pure business acceleration. The startups are provided with a learning process and the outcome of the program is a learning process for both parties and a due diligence of the companies to prepare potential investments from TCO. These investments are conducted after the program and resulted in investments in four out of the 14 startups that participated in the first batch.

4.3.1.1.4 Investments

The program offers an investment opportunity for the startups participating in the program through a convertible loan. The rationale is to be competitive and attract startups which are looking to get funding and the possibility to get financial returns. TCO also has a CVC unit investing in later stage startups but does not have any linkages with the accelerator program as of now.

4.3.1.2 Program Characteristics

4.3.1.2.1 Selection

The selection is set to a broad scope, to have very diverse cohort where the ideas are not competing with each other. The selection criteria are; right phase and ability to be coached e.g. open and possible to work with and be open for investment. The selection jury consists of members of the core team and external coaches with entrepreneurial experience and also include alignment with the manager of the site and at HQ. No business unit heads, or managers are currently involved, the reason for this was that the core team first want to strengthen the credibility of the program before going to the business units. A total of 14 startups from different stages and sectors/industries were chosen for the first cohort.

4.3.1.2.2 Program Configuration

The program lasts for eleven weeks and it is all about business acceleration and exploration, the duration of the program was chosen after looking at other CA programs. After one intro-week each week have an overarching topic which requires two days presence for the startups. It is a physical accelerator where the person attending must be the same for the entire program, this is chosen because the accelerator wants continuity and physical interaction. Each startup receives an internal mentor from the accelerator management team and one external mentor from the local innovation ecosystem (who is a professional business coach) for the duration of the program. Throughout the program there are weekly feedback rounds with each startup regarding the status of their development.

4.3.1.2.3 Involvement of Business Units

The business units of TCO are not involved in any aspect of the program apart from brief involvement of research department in the selection process. But the aspiration is to increase the involvement of the business units. When it comes to the support functions of TCO, PR and legal department are involved within the program, and the legal department and finance department assists with the investment activities

4.3.1.2.4 Network Opportunities and Post Acceleration Phase

Internally, since TCO is very large, there is not a complete network which the accelerator can utilize. To find relevant contacts within the company is a big part of the work where the goal is to find contacts that can assist with proof of concepts or pilots. Externally, the accelerator program has partnerships with eight different organizations and the external network is expanding. This network of partners is provided to the startups. If the organization find a good technical and commercial fit with participating startups, they initiate a scale-up support after the program has ended, which is a joint project with the business unit experts at the global headquarters. The project is to have experts assessing the startups technology and giving advice on their development issues and verify the potential integrations into TCO's products.

4.3.2 Startups Participated in the Case Organization's Accelerator Program.

Table 4.4 List of startups and characteristics

Name	***Type of company***	***Previous accelerator experience***
Startup 1	Med-tech startup	Independent accelerator
Startup 2	Deep tech 3D-printing startup	Corporate accelerator
Startup 3	Fintech startup focusing on SME lending	Independent accelerator
Startup 4	Hardware startup with enabling technology	Independent accelerator

4.3.2.1 Interviewees

The interviewees were two startups that had gone through the program that had gotten an investment from TCO, referred to as *Startup 1* and *Startup 2* and two startups that had participated in the program but did not receive an investment from TCO, referred to as *Startup 3* and *Startup 4*. All of the interviewees were founders/CEOs of their respective company.

4.3.2.2 Purpose of Participation

All of the startups saw the benefit of being associated with and leveraging the strong brand of TCO. But the main goal of participating in the CA hosted by TCO differed between the startups. *Startup 1* and *Startup 2* had the strategic intent to collaborate with a large corporation and saw a fit between their solution and certain segments of TCOs businesses. They also saw TCO as a potential customer. Whereas the main driver for *Startup 3* was to receive funding since they were running out of cash, but at the same time wanted to explore collaboration-opportunities. *Startup 4* had networking opportunities and branding as their main reason of participation. The startups also had additional motives for applying, *Startup 1* participated to receive funding and *Startup 2* wanted to get a better understanding of how corporates work and operate to be able to improve their B2B business. *Startup 1* and *Startup 4* also saw the accelerator program as a way to guide through the corporate jungle and get in touch with the right people.

4.3.2.3 Selection and Alignment

All of the interviewed startups were introduced to the accelerator program either by referral from professionals related to TCO or by scouting agents encouraging the startups to participate. The overall perception of the selection process was that it was simple and straightforward and gave a good first impression. *Startup 2,* which had been into another CA program, which is well-established, experienced that the process was less complex and less structured with TCO. But they recognized that the accelerator is sector/industry-agnostic in comparison with the other accelerator, which only selects startups with particular interest for their R&D strategy. *Startup 1* had applied for the same external program and also felt that they were more professional but highlighted that the process with TCO was more humane and connected with the people of the organization. *Startup 4*s experience was that the process was standardized, had great clarity and was similar to other programs processes. But they would have wanted more extensive information on the program since they had quite low expectations which were exceeded.

Regarding the alignment the opinions differed, with *Startup 1* expressing that the program was really explorative and transparent which the managers of the program were vocal about, and they responded with being pushy and transparent of their needs. *Startup 4* also experienced that the accelerator was open with the strategic intent but felt that they were fully aligned a couple of weeks into the program and did not have full alignment when entering the program. *Startup 3* expressed that when offered a spot in the program they almost turned it down due to what in their view was a very one-sided contract of participating where all the IP is given away. *Startup 2* perspective on the matter of alignment was that they experienced the pre-screening process as a way to find a match and align objectives in the selection process.

4.3.2.4 Program Configuration

The program was appreciated by all interviewees who thought that the compulsory two days a week were good and at the same time being agile for when you could not participate. The order of the activities was also good, but some features could have been scheduled earlier since they were useful throughout other parts of the program according to *Startup 4*. *Startup 4* also experienced that the program was very intense and would have wanted it over a longer period of time to be able to digest the new knowledge from the workshops and be able to apply it. With a longer program *Startup 4* also felt that they could have made use of new leads (which soared within the eleven weeks) that they got through the program.

The fact that the startups that participated were coming from different industries and sectors was something positive since all participating startups could share information amongst themselves without risking competition, highlighted by *Startup 1* and *Startup 4*. But at the same time *Startup 1* and *Startup 2* mentioned that the diversity, both in phases and fields led to an unclear focus and limited customization of the program for the cohort and that would be better if there was to be a clearer idea of the goal of each startup.

Regarding the program features, the mentoring by external coaches with startup experience was accentuated by the *Startup 2* and *Startup 3* as the most prominent part of the program. *Startup 1* also highlighted the people in the program as the best feature of the program.

For *Startup 1* and *Startup 2* the process after the accelerator have been focusing on investigating the possibility for a pilot program with business units of TCO, a quite slow process according to both startups. *Startup 3* did not hear anything from TCO after the program and felt that the ending was unstructured. *Startup 2* and *Startup 4* also experienced that the communication from the program was poor after the program had ended. There has been some informal communication through the coaches of the program but no formal communication.

4.3.2.5 Involvement of Business Units

Startup 1, *Startup 2 and Startup 4* felt that this was one of the weakest parts of the program. The process of getting in touch and reaching out was too time-consuming according to *Startup 1*. Most of their time in the program was spent on just trying to find the right people and reaching out and not on actual discussions. *Startup 4* had a similar experience, the managers of the accelerator were eager to help, but since the startup did not know the structure of TCO, they did not know who they should be introduced to. *Startup 4* felt that there should have been a broader networking opportunity and to start with the networking early on. Then they would have known what the corporation is looking for and adapt for that throughout the program.

Startup 3 experienced that whenever they wanted to reach out to a specialist within the company the staff were more than willing to assist them. *Startup 1* and *Startup 2* are having ongoing discussions on potential pilot projects with business units that were initiated after the program ended. However, *Startup 2* initiated their project through another office of TCO in a different country with which they have had contact with from before and not through the accelerator connections. *Startup 3* has not engaged in any discussions on pilot projects with TCO, neither has *Startup 4*.

4.3.2.6 Networking Opportunities

Startup 1, *Startup 2* and *Startup 3* felt that the networking was eased by leveraging the strong brand of TCO as a door-opener and the organization were happy to make introductions. But the number of events and the stakeholders participating in these events were too few and was something that could be improved. *Startup 1*, which was new to the ecosystem as a foreign startup, experienced that it got opportunities to tap into the local ecosystem. But for *Startup 3* and *Startup 2* the networking opportunities were not as relevant as they already were part of the ecosystem and therefore knew most of the stakeholders. *Startup 2* also felt that the meetups with stakeholders were not aligned with deep-tech startups. The two startups would have wanted to meet and network with foreign experts from other offices or other innovation ecosystems. One feature of the programs networking opportunities was meeting potential investors and according to *Startup 2* and *Startup 3* they would have expected more investors or business angels participating in the events. *Startup 3* also highlighted the fact that the Skåne investor network is small in terms of both number of investors and capital, they would have wanted to meet investors from other larger cities in Sweden or from abroad.

4.3.2.7 Investments

All of the interviewees were aspiring to receive an investment from TCO, with *Startup 3* having it as its main reason of participating in the program. The opinion on receiving an investment was that it would be beneficial to be able to leverage the TCO brand through the investment, stated by all interviewees. *Startup 1*, *Startup 3* and *Startup 4* had previous shareholders which were also positive to getting an investment from a large organization and did not see any negative aspect of it. *Startup 1* as well as *Startup 4* also mentioned that it was important to get them as shareholders to get a commitment in being in active contact after the program. The process of investment however did not meet the expectation of the *Startup 2* and *Startup 3*. Their experience was the investment process, including the type of startups eligible for investments and the conditions of the investment were a black-box decision and was not communicated to the participating startups. The decision of investment was conducted after the program and with it the reasoning behind the decision. *Startup 2* mentioned that it was communicated better with the other program they had participated in where it was presented in the beginning of the program.

4.3.3 **Organization A**

4.3.3.1 Company Characteristics

4.3.3.1.1 Company Presentation

This organization is a large multinational company within the energy industry. Their main market is in Europe with headquarters located in Germany. They have had multiple internal CA programs on various locations in Europe totaling at four accelerators. The interviewed accelerator manager is head of the accelerator located in Sweden, launched in 2016 and in the same city as the local headquarter which has presence of all business units.

4.3.3.1.2 Background

In 2015, the industry that the company was in was going through a transition-phase. The organization was worried that a competing business would come in "from the side" with new technology or new business models. The initiative and motive behind the accelerator program were that the senior management felt that the company was not innovative enough. The company responded with an organizational division where some parts of the business was sold and some other were acquired. The entire company was experiencing a transformation process and all employees were meant to participate. As a part of the initiative the accelerator program was launched. The German accelerator program had launched in 2013.

4.3.3.1.3 Purpose of the Program

The purpose of the program is to source innovative external businesses/startups for all business units of Organization A. The program started off with both internal and external projects simultaneously within the program, but as of the last batch, the program only admit external projects at a stage ready for an international launch. This was chosen after realizing that the internal projects would not supply the organization with radical innovations since the employees were schooled that the ideas that the corporate put resources into were high quality scalable ideas with low risk and high profitability. With only external startups there would be a higher degree of out-of-the-box innovations and startups which could engage in a potential collaboration in more effective way.

4.3.3.1.4 Investments

The first external startups that participated in the accelerator were not subjects to investments. Instead, the goal was to have a mutual learning from both parties. But the organization then created the investment opportunities in participating startups through warrants as the senior management of the organization wanted to have something in return for the resources put into the program and wanted results. With warrants you have the potential for concrete results of what the resources provided. However, the organization have only exercised the right at one occasion. The organization was not used to investing in startups and wanted a large share which resulted in a board-seat and working in a startup environment which they did not have experience of. Organization A was used to work with M&A and could not handle the investment. Organization A have a CVC branch located in Germany and within the same department as the German accelerator but their collaboration was never viable since the CVC was looking for later stage and larger startups than the ones participating in the program.

4.3.3.2 Program Characteristics

4.3.3.2.1 Selection

The search field with the final iteration are startups with solutions and services for all business units to generate buy-in from the entire organization and create an interest throughout. The scope is both core-business and radical innovations, since if only core-business ventures would be included the ideas would be perceived as boring and if only disruptive ventures, no buy-in from business units would be possible. The internal innovations were excluded due to the difficult and time-consuming search for internal innovations along with the fact that internal projects did not usually result in anything. They were often further development of existing solutions or improvements, therefore not innovations.

The application process is an open process combined with scouting. The applicants are first screened by asking applicants: *What problem is solved*, *what is the connection to Organization A & energy,* and *which business unit/who do want to work with?* This is used instead of complex questionnaires and interviews, which were used in the first iterations, since the applying startups either are bad or really good. The pre-selected startups are then invited to interviews with the selection jury. The teams are evaluated on how they would fit with the accelerator as well as with the corporation and what the configuration and experience of the team is. The organizational fit is evaluated by mentors from existing business units, to determine if the solution already existed, was asked for in Organization A or a potential solution to a problem within the Organization A. They also evaluated whether they would like to mentor participating startups or not, since the mentor and business unit would have full ownership of an eventual pilot project. But the final selection of the startups was done by the accelerator manager.

4.3.3.2.2 Program Configuration

The program initially consisted of workshops and trainings and focused mostly on development of business models, pitching, and testing towards customer. There were a lot of lectures and compulsory attendance. The startups were gathered for one hour per week and the rest of the work was conducted individually. But as the program evolved, the amount of compulsory attendance and lectures was reduced since the specific activities and attendance seemed to not determine the outcome of the program. The set of activities was also customized based on the phase of participating startups. The important factor according to the manager is to make sure that progress is reached and having feedback rounds to make sure that the startups have what is needed for achieving the progress.

4.3.3.2.3 Involvement of Business Units

Headhunted internal mentors from relevant business units are introduced to startups in the beginning of the program. Their purpose is to act as an internal door-opener for the startup to commence the collaboration through a pilot project. The internal mentors are recruited based on their drive and personality to be initiative-taking and drive the work forward. With the first iteration, all of this work was done by the accelerator manager, but this was too time consuming. The first internal mentors were senior managers, recruited to have mandate and legitimacy in their business units but the mandate did not result in initiative-taking. The mentorship program is designed to be a competence enhancing activity. The mentors are invited to all accelerator seminars, gathered at mentor-meetings, were encouraged to listen to the startups and were credited for the pilot projects through internal articles and press. By learning from the startups, they will develop as professionals and the crediting could give them promotion opportunities. The rationale is that more promotion leads to more promoters/mentors. For each cohort of startups, new mentors are recruited from each business unit to spread knowledge and commitment throughout the organization.

4.3.3.2.4 Network Opportunities and Post Acceleration

The startups that have participated in the accelerator are connected through an alumni-network. The initiated projects between business units and startups are managed without involvement of the accelerator. However, to make the process smoother the accelerator manager stays in contact with both parties to act as a mediator.

The accelerator aspires and tries to be active in the regional innovation ecosystem. They introduce relevant stakeholders to external startups immigrating to the ecosystem and hosted several industry organizations at the program for the startups to interact with. The rationale is to get a natural deal flow between the entities in the innovation ecosystem.

4.3.3.2.5 Accelerators on Multiple Locations

Organization A has four accelerators in four different countries in Europe; Sweden, UK, Czech Republic and Germany where the headquarters of the organization is located. The accelerator in Germany was the first that the Organization launched and is the central hub of the accelerator programs since the headquarters of Organization A is situated there. Startups apply to specific accelerators, but each accelerator is responsible for a specific region. If an applied startup is not from that region – it is forwarded to the responsible accelerator.

There is established communication and collaboration between the programs. For example, startups that participate in an accelerator program of Organization A can access and tap into the local market/innovation ecosystem of another accelerator via the program. The programs have their own setups regarding program configuration and selection but share the strategic scope and objective. Having regional presence matters, which is the rationale of having several locale programs instead of one large program. Relationships are established and given attention in the region. The structure which gives a larger effect throughout the business group and networks at different markets where the applying startups want to establish themselves. The investigated accelerator is working towards the local headquarters. The three other accelerators are working towards the headquarters in Germany.

In Germany the accelerator and headquarters were separated when the headquarters along with all business units moved from one city to another and the accelerator wanted to stay at the same location which reduced the effectiveness of collaborations. Thereafter the German program was discontinued after the German entity of Organization A was merged with another company which was put in charge of the innovation of the new company. This meant that all innovation activities of Organization A in Germany were transferred to the other party.

4.3.4 **Organization B**

4.3.4.1 Company Characteristics

4.3.4.1.1 Company Presentation

Organization B is a large multinational and industry leader within the telecom industry. They provide services in telecommunication, banking, distribution etc. Their main markets are Europe, Africa and the Middle East with the headquarters located in France. The organization has a total of 17 accelerator programs worldwide, primarily in Europe and Africa but also represented in the US and Asia. The interviewee is the manager of one of Organization B's accelerator program located in Madagascar.

4.3.4.1.2 Background

Organization B launched the first program in Silicon Valley, with a broad scope, to scout innovations from both large and small companies as well as to stay updated on the latest innovations that were emerging and what was coming. But very soon the program went from startup scouting to startup collaborations that could potentially be integrated into the organizations' business units. From there it developed into a multiple internal accelerator (Mahmoud-Jouini, et al., 2018) with accelerators in Europe, USA, Middle east and South-East Asia. The focus has changed somewhat with the accelerators mostly looking for innovations with startups and not large organizations.

4.3.4.1.3 Purpose of the Program

Since the launch of the first program, the purpose of the programs has developed. The main program, launched in Silicon Valley and now also hosted in France is integrating solutions, co-creating services and or using startup solutions to re-invent the businesses of Organization B worldwide. In France they also support independent accelerators through funding. For the programs established in Africa the purpose is to engage with the local innovation ecosystem and to enrich the organizations' solutions to their B2B and B2C customers in that ecosystem. It is about scoping and collaboration around innovation, cooperation and creating commercial opportunities for startups.

4.3.4.1.4 Investment

The program is totally free, the organization does not take any equity in the participating startups, rent for office space, neither have convertible loans been offered all of which is a rule worldwide. The business model behind it is more to sell new solutions to front end customers solutions that would be co-created or implemented with startups. Organization B has two venture capital units, one located in France and one in Africa. They have a brief connection with the accelerator programs, with some investments being done in accelerated startups but they also scout and screen external startups for potential investments outside of the accelerator programs.

4.3.4.2 Program Characteristics

4.3.4.2.1 Selection

The search-field for the programs are similar on a worldwide scale, searching for digital, established startups. The scope is very broad, but every program also adapts to the local ecosystem and market. Both in terms of the stage of the startups and also to the industries. For the program in Madagascar, where the innovation ecosystem is really young, and there aren't that many digital entrepreneurs nor many startups, the scope stage-wise is set to startups which have got their first few clients and looking at startups within digital education, digital in agriculture, digital and health, as well as digital and relationships between citizens and administrations. The overall scope is looking for fits between business units and startups.

The application process is an open application where accelerator team do a pre-selection of the applied startups which consists of 10 to 15 startups. The selected startups are then presented to the suitable business unit and a corporate partner (an NGO) within the field of the startup, a unique feature with the program in Madagascar. The final selection of the cohort is then performed by the deputy committee of the organizations Madagascar branch, external entrepreneurs, local business leaders and a representative from the corporate partner of choice. The cohort is selected based on the business fit, technical fit and human fit with the business unit, which is the most important factor since the startups are not the main priorities for the business unit. There must therefore be a good human fit to ensure that the collaboration is going to end well.

4.3.4.2.2 Program Configuration

Out of the pre-selected cohort, the selected startups join the program whereas some startups do not get into the official program, but they are given the opportunity of office space at the accelerator office and are helped by the accelerator team by being introduced to journalists and investors etc.

The program is six months long in Madagascar, where the program is separated into three parts. The first part is a month spent on coaching the entrepreneurs the basics of running a business with topics such as HR, Finance, Communication, marketing etc. This is done to bring the startups to the same level and a viable level for a collaboration.

Once the startups have refined their business model and product the next step of the program is to initiate the collaboration with their suitable business unit within the Organization. This is done during month two and three of the program, and from month three the focus is solely on the collaboration and the challenges that the collaboration faces. At the same time the program provides continuous inspiration to the startups during this phase with events with experienced entrepreneurs, journalists and investment funds.

During the last month, the final step is focusing on the communication of the launch of the collaboration and financial communication e.g. building pitch decks and fine tuning the business plan. The latter is done so that the startups can be introduced to investment opportunities. After the program there is no post acceleration phase with the motive that all collaborations should be launched by the end of the program. The corporate partner is involved with the startup throughout the program as well as external mentors which are leaders and businessmen in Madagascar.
"These partners do help change the incubator, the accelerator and they help the startups developing on the on the fields like getting to know the good people in which develop solutions there or helping the startups reach to good people within the ministries here, etc" – Program manager.

4.3.4.2.3 Involvement of Business Units

The business units and employees of Organization B are involved at several levels throughout the program. They are involved in both pre-selection of the startups and as advisors to the final jury to give more feedback.

In the first stage of the accelerator program support functions such as HR, finance, marketing and communication teams are involved with the program. An example of this are community managers or press relations managers provide coaching and feedback to the startups presentations which they present online for the organization to review. The B2B commercial and marketing teams are also engaged in the accelerator to assist the participating startups with designing special offers to their partners.

But the main involvement with business units in the program is the collaboration project. This is usually performed by either integrating the business unit's solutions into the product or service or leverage the business units' solutions to support the business e.g. payment solutions etc. The office space of the accelerator is intentionally placed as close as possible to the business units to facilitate this process

The manager of the accelerator is in charge of ensuring the collaborations and the roadmaps between the startups and the different business units. The normal setup with the accelerator programs of Organization B is that there are four to 20 employees at each program with a commercial manager responsible to sell the startups solution in the organization. But the Madagascar program, which is the latest CA of Organization B, has not yet grown to this size.

4.3.4.2.4 Networking Opportunities

The accelerator is active in the startup ecosystem by organizing events so that all stakeholders can meet e.g. investors, journalists, entrepreneurs and corporates. They also support other accelerator programs with processes etc. The entrepreneurs are helped in their networking by the external coaches to access the key stakeholders and right people in the ecosystem.

4.3.4.2.5 Accelerators on Multiple Locations

For the original program, hosted in Silicon Valley and France, the search field is set to late stage startups that have gone through their A-series or B-series in funding.

The collaboration between programs on different locations is depending on the local ecosystem and the characteristics of the startups. The programs in Silicon Valley, France, and South-East Asia have all quite strong relationship. This is due to the similar high-tech development and potential fits with business units. The startups can then use a local program in another country to expand or tap into this market.

With the African programs the connections are not that established since there is much work to be done in each local ecosystem and the startups are usually are local and the solutions developed fitting to one country. However, participating startups are able to connect with business units in other countries after the program to explore the possibility for another collaboration apart from the one developed in the program. There is also an opportunity to through the program access the other entities in the organization.

4.3.5 **Organization C**

4.3.5.1 Company Characteristics

4.3.5.1.1 Company Presentation

Organization C is a multinational within the telecom industry with 120 00 employees. Their main markets are Europe and South America, with headquarters located in Spain. They provide services in telecom and home networks. The organization have had acceleration program at various sites in their different markets and have now changed their structure to have CVC-operations and hosting acceleration programs for corporate partners apart from internal acceleration programs. The interviewee is the program manager at the head office in Madrid, Spain.

4.3.5.1.2 Background

Organization C initiated their accelerator programs worldwide in 2011. The driver was that the entire organization was aiming to shift their business from competing with other telecommunication organizations in a battle of prices to have a strategy to become a data company similar to Facebook and Amazon. The scope was wide open, not looking for specific solutions or specific stages of startups but looking for new ideas, new people, new methodologies and new ways of working. The wide scope was set due to the fact that the innovation ecosystems were immature and emerging. The scope was both internal and external projects, but the experience was that early stage startups were more challenging due to the financial aspects. With early stage startups just having investment from Organization C they were relying much on the corporation and despite the fact that the accelerator organization is working faster than other corporates it is still too slow for the startups.

4.3.5.1.3 Purpose of the Program

As the ecosystems that the hubs are located in have matured, the initiative now focuses on later stage startups that have a validated business model and do not depend that much on the organization. The initiative act more as a CVC entity of Organization C just focusing on scouting and investing in mature startups that have technology in their core and could be incorporated into the business units of organization C and developing their business. The scope is to broaden the business units and also to support the shift from being a pure telecommunication company to a data company. The idea is to scale them up within the structure of Organization C and with all the countries that they are present in.

The purpose of the startup engagement is to add value to startups throughout their entire lifecycle. Organization C therefore still has an accelerator program for early stage startups that collaborate closely with the CVC-unit to act as a deal source and collaborate. The scope of the accelerator is very wide and is focuses on getting to know the people of the startups, and if there is a good fit, they are subject to the

CVC-initiative. Later on, there is also a venture capital branch that invests larger amounts which can be connected to the startups in the CVC initiative. The initiative also hosts accelerator programs for partners, being other corporates or companies.

4.3.5.1.4 Investment

The initiative invests €250k in each startup, but always co-invest with other funds and share deal flow. Each operation (in each country) is in charge of creating a relationship with the local funds. The initiative is not the lead investors, but act as a minority investor that partake in larger rounds than what a €250k ticket usually offers, but it is strategical to have Organization C in your cap table. The aim with the investment of Organization C is purely strategic in order to find business opportunity with the business units of Organization C. If the startups have later funding rounds after the investment of the initiative, the venture capital branch of Organization C is invited. This branch is solely looking for financial returns and is not involved in any business development.

4.3.5.2 Program features

4.3.5.2.1 Selection

The search field are startups that have a validated business plan with technology at their core and in all sort of fields that could be used for the business units of Organization C. Another criterium stage-wise is that the startup should have clients paying on a monthly basis to their services to make sure that organization C is not the sole financial backer.

The selection is conducted through two different channels. The first search-field is the startups that have participated in the local accelerator program hosted by the organization, which is also one of the main purposes of the program. This accelerator graduates approximately 20 startups each year and the manager of the accelerator is also a part of the team of the initiative to bridge the two entities. The other way of scouting is through the scouter, an employee of the initiative. This scouter is part of the management team and has an extensive background in the local innovation ecosystem, industry and also in the city of the office. The scouter has extensive contact and relationships with the business units of the organization and stays updated on what they are looking for and what challenges they have. The scouter has a clear picture of what kind of startups both in terms of stages, and in terms of fit with the organization they are looking for.

The initiative is really selective in what they invest in and has full independency in what they invest in, but the KPIs used to review potential candidates and investment opportunities are similar across all initiatives worldwide. Upon selection the scouter presents the startups to the committee formed by the members of the initiative and technical experts from the business unit that the solution will be integrated in. The director of the local initiative monitors the investment in terms of due diligence and negotiation.

4.3.5.2.2 Program Configuration

When the selection is done and the startups have received investments, the initiative is working in a similar way as a venture capital firm. Dissimilar to a normal CA there is no official program and not a set timeframe. There are some masterclasses offered in the hub, but the main focus is working on how to embed the startup into the organization and working with issue-based interactions. Every month the initiative asks for metrics and do a lot of follow-up on the whole picture of the startup, both strategically with the organization and commercially.

The management team assists the startups in different ways. Each hub has a management team consisting of one scouter, one communication person, one portfolio manager and other specific positions adapted to the local innovation ecosystems and a fitter. The fitter is the product owner and are the one in charge of developing a strategy on how to work with the business unit and organization as an internal business developer. The fitter not only looks at the regional operations business units but also interacts with the global business units that are located in the headquarters of Organization C.

4.3.5.2.3 Involvement of Business Units

The business units are involved in several aspects of the initiative, both in the selection process and also in the collaboration which is the main purpose of the initiative. When the fitter has found a good match, the collaboration and work between the startup and the business unit is managed by themselves without the involvement of the fitter that might only have some follow-ups. The business unit manager does not have any commitment to use a startup to solve problems, therefore a lot of effort is spent on communication and branding of the incentive towards the business units. The goal is to have the startups like a client provider relationship. The most common integration is a startup integrating their solution or software into a product or the service of the business unit not integrating the entire startup through M&A. This allows for the startup to sell their solution to the large B2B clients of the organization.

> *For example, in the business unit, and you're one that we need you or this talk, I need you to say, yes, this is a guy that in his own right or in his day to day work, he doesn't need a startup to solve that problem. He will choose another guy from another provider, something like, so it's nothing that we can ask that guy for sure to do it. So, we need to do a lot of communication, a lot of strategy in terms of having these guys with us. So, it's not nothing like we, we need to I don't know how to say that. But the point is that the branding, the communication, the impact that we have into the company, how they got the people inside Organization C see us is really important because they don't need at all, if they don't want, yeah, we cannot say nothing because there's nothing in the contract – Program Manager, Organization C.*

4.3.5.2.4 Networking Opportunities

The initiative acts as a door opener for all the participating startups in the local innovation ecosystem and is the foremost way of the commercial business development of the initiative. The office of the initiative is also located next to the accelerator program and the partnership programs that are hosted by Organization C. This allows for exchanges and networking amongst the startups in the different programs.

When it comes to internal networking, this is mainly done through the fitter.

4.3.5.2.5 Accelerators on Multiple Locations

The initiative exists in all ten countries that the organization is established in and they all have similar setup, the hub in London and Spain are however the main hubs. The hubs work jointly like a global team and one of the main value propositions for startups is to have a soft landing in other countries that the organization has presence in.

> *For example, every year we do a convention of all the scouters all the features. So, we go to a country and the strategy of fit is global, the strategy of partnership is global, the strategy of portfolio managing its global, and we do calls for finance every month – Program manager, Organization C.*

Each hub is working in their innovation ecosystem with the fitter looking at the local business development within the Organization, but the KPIs for fit are global and the hubs share a lot of work between them. To coordinate the collaboration between the hubs there is a global office of the initiative at the headquarters of Organization C at this site there is fit team, a brands and events team, finance team consisting of portfolio managers and communications team etc. coordinating their respective workforce.

4.4 Summary of Corporate Accelerators

Table 4.5 Summary of characteristics of Corporate accelerator programs of the study

	Overarching Strategy			
	The Case Org.	**Organization A**	**Organization B**	**Organization C**
Background	Desire to extend internally sourced venture department due to lack of successful internal ideas.	Reinventing organization and striving for a more innovative culture.	Launched single program to scout upcoming innovations and startups, pivoted to collaborations with startups.	Organization shifting to new industries. Started with accelerator, pivoted to CVC-function due to early stage startups being too dependent.
Purpose	Create new business for New Venture Division or source enabling technologies for existing business.	Source external innovative businesses/startups for all business units as a part of larger strategy to be more innovative.	Co-create and integrate solutions to re-invent businesses worldwide. Local program, engage in innovation ecosystem and create collaborations	Invest in and internally scale startups to broaden business units and support the shift. Add value to startups throughout entire lifecycle.
investment	Offers convertible loans, has a CVC unit (not active in program).	Invests through warrants, but not frequently, has a CVC unit (not active in program).	No investments through program, Has some connection to CVC unit.	Co-investing with small sums to find business opportunity with BU's.
Selection	Broad scope with not competing ideas, involvement of external coaches, looking for coachability and right phase.	Both radical and incremental. Open process & scouting. Involvement of internal mentors. Looking for problem-solving and human fit. Accelerator manager unanimously decides.	Broad scope, involvement of BU's, external entrepreneurs/investors & partner org. Looking for human fit, tech fit and business fit.	Broad scope, later stage startups. Source through accelerator and through internal scouter. Involvement of BU's and department looking for fits with BU's
Program Config.	eleven weeks, all about business acceleration, two days/week, only founder partakes. Weekly feedback rounds.	eleven weeks, focusing on business acceleration. Low degree of compulsory activities. Customized after phase of startups and focusing on progress and feedback to supply support. Only founder partakes.	Six months, first month business acceleration, later on collaboration with BU's. Goal to launch collaborations within program duration. Entire team participates.	No set timeframe. Some masterclasses but mostly focusing on embedding startup into organization. Issue-based interactions. Entire team participates.
Involvement of business units	None apart from brief participation of research department in selection. Potential collaboration after program.	Local business units. Internal mentors in selection to identify strategic fit and need and throughout program via collaboration.	Local business units. Several levels, selection, throughout program both commercial and internal aspects. Usually commercial manager to facilitate collaboration.	Local business units. Several levels, selection and throughout "program" with collaboration. Global business units for developed startups.
Mentoring & Coaching	External business coach & accelerator manager.	External Business coaches & internal mentors recruited from all BU's based on drive.	External entrepreneur & corporate partner to coach and connect with ecosystem.	Fitter with relationship to BU's in accelerator to facilitate collaboration.
Network	External partner organization network provided to startups, no internal networking.	Active in innovation ecosystem, introducing relevant stakeholders and industry organizations, aim to get a natural deal flow between entities in ecosystem.	Main hub in ecosystem, organizes events and taps into ecosystem through external entrepreneur and coach.	Door-opener in local innovation ecosystem, foremost way of commercial development. Also, between startups in all programs.
Accelerators on multiple locations (#CA's)	None.	(4) Hub at headquarters. Offers soft landing between accelerators, specific setup in each country, source local startups for each program.	(17) Programs in developed ecosystems collaborate, offers soft landing, ability to connect to foreign business units after program.	(10) Hub at headquarters. Offers soft landings, joint KPIs collaborations between accelerator staff and task forces of joint roles.

5 Analysis

This chapter aims to analyze the empirical data from the in-depth semi structured interviews and the existing literature using theoretical frameworks presented under literature review. Firstly, a comparison between the external accelerator programs and the program of TCO is presented. The accelerator programs are compared under themes established in Chapter 4 - Empirical Results highlighting similarities and differences and applying relevant theoretical frameworks on each subsection as well as taking consideration to what subject matter experts have expressed. The following section of the analysis is an in-depth analysis of TCOs' accelerator program using the data collected through the interviews with startups and findings from the comparisons of the external CA programs. The section is divided into opportunities and challenges for stakeholders of the accelerator program. Lastly, a discussion of the possible combination of features in creating a hybrid-model program and decisions to consider on which model to apply is presented.

5.1 Framework for Analysis

For the analysis, three different frameworks are utilized to get multiple perspectives on each subsection. Firstly, the entrepreneurial process will be used to identify how each component of the accelerator programs are beneficial for the participating startups, and what components are taken into consideration in each program. Secondly the *Organization designs for Corporate Entrepreneurship* framework by Robert Burgelman (1984) is utilized to discuss the connection between the accelerator program and the parent company. Thirdly, the model of accelerating strategic fit and venture emergence by Raj Shankar and Dean A. Shepherd (2019) is used to identify and differentiate the setups of the accelerator programs from a venture emergence and strategic fit perspective.

5.2 External Corporate Accelerators

5.2.1 Corporate Characteristics and Strategic Scope

5.2.1.1 Background

Both Shankar (2020) and Kohler (2020) stated that one of the key features in developing a successful CA is to have clear vision and support from the top. Organization A and Organization C wanted to shift and rearrange their organizations and launched their CA as a part of that strategy with the purpose not only to source innovative ideas but to make the entire organization more innovative and agile. The programs were therefore part of a larger picture and a part of the larger strategy. At the same time, one could potentially argue that the scope of "becoming more innovative" is rather unclear and therefore not in line with the clear vision from the top. But companies that does not have an innovation as an integral and natural part of their organization might not want to limit the scope to exclude potential benefits. The fact that both organizations hosted accelerator programs with both internal and external projects, being "test laboratories" according to the model developed by Kanbach & Stubner (2016) also witness of the fact that the accelerators were explorative in their initial iterations. Organization B were also explorative in their first iterations in Silicon Valley when scouting for upcoming innovations, being identified as "listening post" of the Kanbach & Stubner model (2016) before shifting towards collaborating with startups. This is also in line with Kohler (2020) and Shankar (2020) expressing that many CAs start off as experiments and has developed into more focused initiatives.

Organization A, Organization B and Organization C also launched their accelerator programs as multiple internal accelerators. This model is the one with the highest survival rate out of the accelerators existing in 2016. This may be due to the fact that it was an initiative part of a larger strategy rather than just an experiment at one site. In comparison, TCO have had an internal New Venture Division for several years and launched a single CA out of the department as a way to scout new technologies without attachments to business units or other parts of the organization.

Regarding the industry, both organization B and Organization C are telecom companies, being the most accelerator dense industry in 2016 and the industry with highest survival rate. The survival could be a result of the companies having platform-based services that could be easier to integrate new solutions onto, but at the same there have been accelerator programs hosted by software companies with platform solutions that have not had the same success despite having a business with similar structure. The fact that Organization C is running accelerator programs for partners in other sectors suggests that their concept and program configurations is somewhat sector agnostic. Instead it could potentially witness of corporates in a competitive industry trying to compete in new ways and differentiate themselves.

5.2.1.2 Strategic purpose

The model developed by Burgelman (1984) shows that there are many ways to add new ventures into the organization based on the operational and strategic linkages. The CA programs of the organizations in the study fit with several different criteria.

The common denominator for all organizations is that the accelerator aims to add or integrate new solutions into the organization, in line with Chesbrough and Weiblen's (2015) third criteria for corporates engaging with startups. When looking at the strategic purpose of the studied CAs, Organization A's is to source innovative external businesses, both incremental and radical, for all existing business units of the corporate. The pilot projects and POCs were aimed to be directly integrated in the business units. When using the framework designed by Burgelman (1984) the projects coming from the accelerator program would therefore be considered to be of high strategic importance and of high operational relatedness. At the same time, with the radical innovations which might not be of operational relatedness, the model instead suggests that the projects would be assigned to a micro new venture- or New Business D. However, Organization A mainly has traditional business units.

Organization C also aims to incorporate new solutions and technologies into their existing business units. Since they are looking at later stage startups than the other organizations and not having any business acceleration in their setup, they would be placed in the direct integration field of the model. This is further supported by the fact that they are not looking at proof of concepts to be tested in small scales in micro new ventures department or New Venture Divisions but actual solutions to be implemented.

Burgelman (1984) suggests that the concept of direct integration requires product champions that know the workings of the current systems, something existing with Organization A (internal mentors), Organization C (fitters) and with the established accelerators of Organization B, meaning that they have support for their strategy. The accelerators of Organization A and Organization C both started off as a "New business department" and/or Micro new ventures department according to the framework of Burgelman (1984) with internal projects that emerged from operating divisions and external projects but has changed towards only sourcing external projects.

With TCO, the purpose of the program is similar to the one of Organization A but with the exception that TCO is not only sourcing enabling technologies for the existing business units but also to the New Venture Division of the Organization, which the accelerator program is a part of. This positions the accelerator in the leftmost column of Burgelmans' (1984) model but also in the middle of the model where there is uncertainty of the strategic importance and partial operational relatedness.

Organization B has a somewhat different strategic purpose with their program. The goal is to use, co-create and integrate external innovative solution and services to re-invent the business worldwide. This would suggest that the relatedness would be lower with Organization B but since the scope is to re-invent the business model there is still of high importance. These parameters would place Organization B's program in the upper quadrants of Burgelmans' (1984) model.

Operational Relatedness	Very Important	Uncertain	Not Important
Unrelated	Special Business Units	Independent Business Units	Complete Spin Off
Partly Related	New Product/ Business Department **Organzation B** **Organization C** **Organization A**	New Venture Division **The Case Organzation**	Contracting
Strongly Related	Direct Integration	Micro New Ventures Department **Organization A** **Organization C**	Nurturing and Contracting

Strategic importance

Figure 5.1 Placement of Accelerators in Burgelman Model (1984), Created by Author. (Yellow representing Venture emergence and blue Strategic fit. Grey text representing previous position)

5.2.1.2.1 Strategic Fit & Venture Emergence

TCO brand their programs as pure business acceleration which is in line with accelerating the venture emergence. But at the same time, the overarching strategic purpose according to program managers is to look for enabling technologies to be incorporated in the corporation which is an aim to accelerate the strategic fit. Organization A has a similar branding of their program but also aspires to incorporate new businesses and startups to accelerate the strategic fit. Organization B being a platform solution based business would suggest that they would have a fit with a venture emergence program according to the subject matter experts, but they market their program as a way to collaborate and co-create with the organization's business units which is also the purpose of the program meaning that both marketing and purpose are in line with accelerating strategic fit. Organization C has a pure strategic fit purpose of their program with incorporating startups into business units, but at the same time having a portfolio approach with a long investment horizon which means that the program has features of both strategic fit and venture emergence.

Table 5.1 Venture emergence and Strategic fit Characteristics in purpose of Accelerator

	Feature	**Covered by Organization:**
Strategic fit	Engage with startups to explore new technologies & innovations that could impact or be useful to existing business	TCO, Org A, Org B, Org C
	Enhancing competitiveness to industry or market developments	Org A, Org C
Venture Emergence	A portfolio approach with focus on reserve-the-right-to-play	Org C
	Tendency for portfolio-creation where CA is given opportunity to exercise option in the future	Org C
	Have ability to create new ways to sell products and bring different use cases for corporate technology	Org B, Org C,

5.2.2 **Program Configuration**

5.2.2.1 Selection

5.2.2.1.1 Search Field

A common denominator for TCO, Organization B and Organization C is that the search field is very broad. TCO is accepting startups from all over Europe across various industries, partially due to the broad business portfolio of TCO and also to not have competing ideas within the program. Organization B attracts a variety of startups but also adapted to the local innovation ecosystem and market where the accelerator is located. Organization C differs from the other accelerator programs with their search field of later stage startups, but similarly looking for all sorts of startups with a fit to their businesses. The broad scope of these organizations is a characteristic of the venture emergence model. Another common denominator between TCO, Organization C and Organization C is that they all started with internal ideas in combination with external ideas, but they have all stopped sourcing internal ideas with TCO and Organization A stating that they were rarely successful. This could imply that it is difficult and perhaps not a suitable feature with internal CAs. When it comes to the specific programs, Organization A focus their search-field to core business being energy-related startups in line with strategic fit. The accelerators have different strategies for sourcing applications, Organization B has an open application process characteristic for venture emergence whereas TCO and Organization C scout and encourage startups to apply for their program which is a selection process in line with strategic fit whereas Organization A uses a combination of scouting and open application.

5.2.2.1.2 Selection Process

All of the organizations have a pre-selection of startups after applications are send it through respective application portal, having a few selection criteria mostly looking at the opportunity which according to Timmons and Spinelli (2004) is the base of every startup. Organization A is looking at the opportunity from a both strategic and commercial perspective with their three questions mentioned in 4.3.2.2.1.

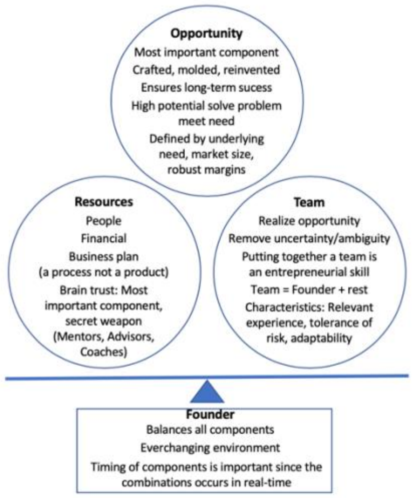

Figure 5.2 Characteristics of Entrepreneurial process components (created by author)

The pre-selected cohort is then evaluated on several different parameters via interviews and by different jury configurations between the organizations. All of the accelerators are evaluating the startups on their team and their technology (resources) which both are key components in the entrepreneurial process. The resource component through technical fit is evaluated similarly across the accelerators but the team is evaluated in differently, but all mainly looking at the adaptability of the team. TCO through coachability, Organization A through the human fit with the business unit mentor and experience and Organization B and Organization C also through the human fit with business unit, stated as the most important parameter by the manager of Organization B.
Since the accelerators will not be the owner of the collaboration projects and integration of projects, but only act as an intermediate with the startup and corporate doing all the work
As suggested by Timmons and Spinelli (2004) in their model of entrepreneurial process, high potential opportunities solve an important problem, need or want. In Organization A, Organization B and Organization C business unit heads or experts are included in the selection process, with Organization A explicitly stating that they evaluate if the startups service is sought for or the solution to a problem within the business unit. If there is a need or want for the service provided by the startup or the addressed problem of their solution exists within the organization, this could indicate that it is a high potential strategic opportunity for the organization.

With Organization B the opportunity (and team) is also evaluated from a commercial aspect, which is how Timmons and Spinelli (2004) defines the opportunity, with having experienced entrepreneurs and investors from the local innovation ecosystem as well as corporate partners acting as experts on the selection jury to evaluate the startups. The thorough selection process of organization A and Organization C involving business unit representatives as well as Organization B involving business unit representatives, external investors and experienced entrepreneurs in addition to the accelerator management team testifies that they address the importance of the selection process for longevity as mentioned by Kohler (2020) and Shankar (2020).

However, if only the strategic opportunity is evaluated for the early stage startups there might be a risk that the startup will not be able to succeed with their business outside of the collaboration with the accelerator corporation, as mentioned as a reason why the original accelerator program of Organization C was terminated. It is therefore of importance to assess the commercial aspect of the startups if the startups are of an early stage, or to make sure that they have some cash flow streams from existing customers to make sure that they do not rely solely on the corporate.

5.2.2.1.3 Venture Emergence and Strategic Fit

Based on the findings on selection, the accelerator programs fit with the strategic fit model and venture emergence model to different extents. Organization A has similarities with the strategic fit-model with business unit mentors taking part in the selection process similar to Organization C which includes business unit experts and management team. Organization B has elements from both models with both business unit representatives and human fit with said stakeholder as main criteria. But at the same time having investors, experienced entrepreneurs and corporate partners on the selection jury to evaluate the product-market fit. TCO does not show any characteristics from either model. As seen from table 13 and table 14, the adherence to the characteristics of venture emergence and or strategic fit in the selection process does not necessarily correlate to the adherence of strategic fit or venture emergence purpose characteristics of the accelerators. This could imply that there are different setups of combining venture emergence features and strategic fit features within a program.

Table 5.2 Venture emergence and Strategic fit characteristics in Selection

	Feature	**Covered by Organization:**
Strategic fit	Strategic fit with business units as selection criteria	Org A, Org B, Org C
	Focused search-field to core business	TCO, Org A, Org B, Org C
	Involve senior corporate leaders in selection jury	Org A, Org B, Org C
	Employ scouting and encourage startups to apply	TCO, Org A, Org C
Venture Emergence	Product-market fit as selection criteria	Org B
	Broad in communication, sector/technology agnostic	TCO, Org B, Org C
	Experienced entrepreneurs, VCs, Angel Investors involved in selection jury	Org B
	Early stage ventures if promising team or idea	TCO

5.2.2.2 Program Configuration

The acceleration part of the accelerator programs is of different focus and length. Organization A and TCO have a program that lasts over eleven weeks and focus on business acceleration with weekly topics on entrepreneurship and business development. Organization B's program lasts for six months and Organization C does not have a set timeframe for the duration of the work. With similar time-span and focus, the structure of Organization A's and TCO's program were of different approaches, with Organization A's program being agile to the startups phase and needs and few workshops and seminars whereas TCO's program being pre-determined and with compulsory attendance to seminars and workshops (two days a week). From the entrepreneurial process perspective, the both program's workshops focus mostly on molding the opportunity and the resources i.e. the business plan of the startup as well as developing the founder. For both organization's the attending people for the program was one representative from each startup being a founder/co-founder, enhancing their ability to balance the team, resources and opportunity components more effectively. With Organization A, a lot of focus was to test the business towards customers and developing the founder of the startup.

Organization B has a different structure and a longer program than the two other organizations. The first month has a similar structure to the other two programs, to accelerate the business and to bring the team to a sufficient level for a potential collaboration. This configuration is in line with the subject matter experts' opinion on customer validation to get internal validation and resources. With the business acceleration process conducted before the collaboration project is initiated, the risk of the startup not being able to scale their solution to meet the business units' needs is reduced.

After this process, the remaining part of the program is spent entirely on the collaboration with the corporation with all participants. The process might indicate that the projects validity and credibility are strengthened within the program to ease the collaboration. With TCO and Organization A the program could act as an enabler for potential collaboration projects similar to Organization B. For both organizations, the collaboration opportunity is a project outside of the accelerator program which is run simultaneously to the accelerator program with Organization A and a potential project for participants graduating the program of TCO.

Organization C has no features of business acceleration in their program, but with the startups already having validated business models and paying customers, the full focus can be spent on the collaboration and incorporation of the startups solely focusing on the opportunity by extending the market reach and size of the startups.

A similarity between Organization A, Organization B and Organization C is that the program is hosted within the innovation ecosystem and foremost working towards the local business units of their respective organization. Organization B and C also has a similarity in the structure where the entire team is invited to sit at their offices for the duration of their respective program and not just the founder at specific occasions for compulsory activities. This could have an improved effect on the team component, especially with organization B where the evolvement of entrepreneurial components is accelerated, it is not just the founder that has to reconfigure the combination of components but also the team that the founder is a part of.

All of the programs (apart from organization C which has a different structure) support the fact that the programs need to add value to some extent to the participating startups, through the business coaching and business development activities provided by the program, regardless whether a collaboration is initiated (Kohler, 2020) (Shankar, 2020) (Weiblen & Chesbrough, 2015). The value added might differ between cohorts and programs and if the value added is corresponding to the invested time is unsure making it difficult to assess what a sufficient level of value added is.

5.2.2.2.1 Mentoring

In all programs, the participating startups have mentors and coaches to support them throughout the program. Mentors, advisors and coaches constitutes according to Timmons and Spinelli the secret weapon of the entrepreneurs in the form of a brain trust. With TCO, there are business coaches assisting and coaching the founders on how to develop their resources, opportunity and team and also connecting the startups to outside stakeholders contributing to the commercial brain trust of the startups.

Organization A has similar business coaches but the individual mentors from suitable business units introduced at the start of the program supply the founders with an improved strategic brain trust in addition to the commercial brain trust. The strategic brain trust could be vital to the collaboration, circumventing the corporate jungle of the organization and accessing the suitable business unit directly. The fitters of Organization C have a similar purpose as the internal mentors with the difference that they are not representatives from the business units. The commercial managers of the established programs of Organization B has the same function. The coaches from the accelerator management team of TCO might be able to contribute to the strategic brain trust to some extent but does not grant access to a suitable business unit.

Organization B mentor pool is different from the other organizations with no mentor from specific business unit but experienced businesspeople from the local innovation ecosystem and also representatives from the corporate partners with the focus on the business acceleration in the local ecosystem and the sector.

This provides the startups with an improved brain trust of the local ecosystem and their industry. Similar to TCO it is the management team of the accelerator that contributes to the strategic brain trust but since the access to the business unit is established through the selection process, this might suggest that the strategic brain trust is not as needed in their program.

5.2.2.2.2 Venture Emergence and Strategic Fit

Organization A, Organization B and Organization C's programs have several features of the typical strategic fit program, identify POCs with business units (done in the selection process), periodic reviews on the growth and POCs during the program. Either through internal mentors or through program activities and the accelerator manager. However, all programs also have features of venture emergence to some extent. Organization C is investing in all participants and help them access new markets. Organization B has several features of the venture emergence model with external experienced entrepreneurs as mentors and having issue-based interactions with experienced entrepreneurs and investors and focus the first part of the program on growth metrics. TCO fits the venture emergence model with enabling participating startups to capitalize corporate reputation.

Table 5.3 Venture emergence and Strategic fit characteristics in Program configuration

	Feature	**Covered by Organization:**
Strategic fit	Access to each other's solutions as a mutually beneficial exchange	TCO, Org A, Org B, Org C
	Facilitating exchanges between ventures and key people and departments, removing barriers	Org A, Org B, Org C
	Connect to corporate customers through references	Org C, Org B
	Internal Mentoring	Org A
	Identifying POCs with business units and periodical reviews on POCs	Org A, Org B, Org C
Venture Emergence	Enable Ventures to capitalize corporate reputation to access markets	TCO, Org A, Org B, Org C
	Issue-based interactions with experienced entrepreneurs/investors	Org B
	Focus on growth metrics and periodic growth reviews (sales, customer acquisition)	Org C, Org A
	Mentors being external, experienced entrepreneurs	Org B

Looking at the post acceleration phase, the extensiveness of the follow-up plan, which is critical for the longevity (Shankar, 2020) (Kohler, 2020), is somewhat different amongst the accelerators. The collaboration projects are initiated with a few participants and after the program with TCO without the involvement of the accelerator, whereas the with organization A the collaborations are initiated but also run/developed after the program, where the accelerator acts as a mediator.

Both programs are developing their POCs after the program in comparison with Organization B which always aims to have the collaborations launched within the timespan of the program to ensure that the projects do not fizzle out. Organization C is even more thorough by having the overarching goal with their open innovation activities to add value to the entire life of the startup with their venture capital branch and accelerator program working jointly with the CVC initiative to develop the startup.

5.2.2.3 Involvement of Business Units

The involvement of business units and corporate throughout the program is a key for strategic fit accelerator programs (Shankar, 2020) and with all programs having the strategic intent to incorporate and co-create new technologies and solutions, the involvement of business units is essential for all programs.

The involvement in the selection process is similar between Organization A, Organization B and Organization C but the business unit is not on the actual jury with Organization A. This could be beneficial if the innovations are radical, which suggests lesser involvement of business units. But since the scope is to integrate the solutions in existing business, having mentors to support the process for the chosen startups, an eventual collaboration could be fostered with a business unit even though it is radical. Pursuing both incremental and radical innovation is also essential for the organization to develop and to be successful (Schuh, et al., 2017).

The dialogue between startups and business units also differs, where organization B is using the manager for the communication, a setup previously used by organization A but was considered too time-consuming. This is something that was also found with Organization B where the manager spends a large part of his time on the collaborations. However, with the established programs of Organization B there is one employee with the sole purpose to ease the collaborations, similar to the setup of Organization C.

The setup to use internal mentors with new mentors for every batch might establish a deeper connection with the organization than by having a collaboration manager due to the strengthened bond for every batch, but this approach also relies on finding sufficient and capable mentors. If an organization has a very broad product portfolio, it might also be difficult to scout for mentors from all business units.

Taking into consideration that the opportunity and components of the entrepreneurial process are occurring in real-time, the setup of organization B might be beneficial to their program, since the program is running for a longer time and that the participants development have been accelerated after the first part of the program. The combination of resources, team and opportunity is likely to have changed and the collaboration project might have a different purpose than when joining the program. The same goes for Organization C that has a longer timeframe due to their investment in the participating startups and their startups being more mature so the combination might not change as rapidly as with earlier startups.

The operational linkages and administrative linkages are also occurring in real-time (Burgelman, 1984), meaning that the collaboration opportunity might change over time and when going from a POC to an implementation, other departments might need to be involved. It is therefore of uttermost importance that there is an established relationship between the business units and startups to make sure that the process is not too dragged-out and so that they can tackle eventual challenges without the involvement of the accelerator, especially with early stage startups.

The fact that Organization B has a platform-based business also offers flexibility in the collaboration project since the organizations' solutions can be incorporated in the project or leveraged to realize the project. This might also be a reason that they are able to launch collaboration projects within the timespan of the accelerator. But the fact that the accelerator also accelerates the collaboration and not only enables the collaboration might contribute.

The other companies might not have similar possibilities to co-create services in the same manner and therefore has chosen to, initiate, finalize and launch the collaborations outside of the program, but could have had use of hosting and initiating the collaboration projects in the acceleration program.

5.2.2.4 Networking Opportunities

When looking at the networking opportunities, two different types of networking which are presented to the startups, internal and external networking in all programs. The external networking is similar between Organization A, TCO and Organization B, with the external business coaches of Organization A and TCO assisting the startups with reaching out to external stakeholders and external mentors and partner organizations of organization B reaching out to the local innovation ecosystem. Organization C is providing external networking through the accelerator team, which could be a result of the fact that they do not have any external mentors/coaches within their program. However, a similarity across all programs is that they participate in events and try to be active in their respective innovation ecosystem.

The internal networking is however different since the means to network are different amongst the programs with Organization A mostly relying on the internal mentors, Organization B and TCO relies on the management team of the accelerator whereas Organization C is orchestrating the internal networking through the fitter.

5.2.2.5 Investments

As discovered in the empirical findings, the investment rationale of the accelerators differ, from TCO and Organization C offers investment as a key feature of their program, Organization A offers investment through warrants but has only exercised the rights at one occasion and Organization B not taking any equity nor investing through the accelerator program. However, all organizations are indirectly providing investment opportunities to the startups through external investors.

Financial resources are recognized as an essential part of the entrepreneurial process but Timmons and Spinelli (2004) also state that too much capital at an early stage is detrimental to the startups and that bootstrapping is an essential activity. However, the funding gap that many startups encounter needs to be addressed, and the participation in an accelerator can be the bridging activity (Bonini & Capizzi, 2019).

This is addressed by TCO, Organization A and Organization B through arranging demo-days, inviting external investors and investing by themselves (TCO). As Organization C only selects startups that have a steady stream of cash flow through sales, these startups have already passed the funding gap meaning that it is not a challenge to take into consideration with the program, instead just considering the strategical scaling when entering the initiative is needed.

The fact that Organization C acts also always co-invest with larger funds and therefore taking minority shares in the startups and thereby the financial resources provided by the organization is not critical. This strategy that was chosen for the startups to not rely on the organization. Organization C's program therefore acts as a strategic CVC unit and at the same time adhering to the venture emergence model with the investment.

The startups that receive investments from TCO are more dependent on the organization as they are earlier stage startups and there is no co-investment. The same goes with Organization A that also have a tradition of M&A dissimilar to Organization C and therefore wanting large shares.

The organizations beyond organization C all have a dedicated CVC unit, but the linkages between the CVC and the respective accelerator is not strong with Organization B's CVC investing in some accelerator graduates but also sources external startups. A misalignment scope-wise in phases sought for can be a possible explanation, with Organization A mentioning that despite efforts to link the entities the collaboration never worked due to too early stage startups in the accelerator for their CVC.

5.2.2.6 Accelerators on Multiple locations

All of the established programs (Being Organization A, Organization B and Organization C) have similarities in their setup of their hubs. Each program scouts for startups originating from or aspiring to access the local market and innovation ecosystem. The hubs are also located with proximity to the business unit(s) that they intend to collaborate with. All organization also have a main hub that co-ordinates the other hubs, located at the global headquarters of the organization, that co-ordinates the other hubs.

But the similarities between hubs differ across the studied Organizations. Organization C has the same KPIs, staffing and structure in all hubs with all hubs having the same innovation challenge, this could be a result of the fact that the program focuses entirely on strategical scaling, which is different from Organization B. Their program is very different between hubs with the maturity of the local innovation ecosystem dictating the “rules”. In the lesser developed regions, the focus is exclusively local but the collaboration between the established accelerators in developed markets is similar to the collaboration between hubs of Organization C.

This could imply that with a higher maturity in the innovation eco-system and operations, the characteristics of the work-processes are more global, and the startups are of stages where it is relevant to enter new foreign markets and therefore the collaboration between hubs to offer potential soft landings is beneficial. The benefit of the startup is an improved opportunity where the market access and market size increase a lot with a soft landing in a new market as well as the resource component with a brain trust in the foreign market.

5.2.3 Summary of Features Addressed by the Programs

Table 5.4 Summary of strategic fit and venture emergence characteristics

	Purpose	
	Feature	**Covered by Organization:**
Strategic fit	Engage with startups to explore new technologies & innovations that could impact or be useful to existing business	TCO, Org A, Org B, Org C
	Enhancing competitiveness to industry or market developments	Org A, Org C
Venture Emergence	A portfolio approach with focus on reserve-the-right-to-play	Org C
	Tendency for portfolio-creation where CA is given opportunity to exercise option in the future	Org C
	Have ability to create new ways to sell products and bring different use cases for corporate technology	Org B, Org C,
	Selection	
Strategic fit	Strategic fit with business units as selection criteria	Org A, Org B, Org C
	Focused search-field to core business	TCO, Org A, Org B, Org C
	Involve senior corporate leaders in selection jury	Org A, Org B, Org C
	Employ scouting and encourage startups to apply	TCO, Org A, Org C
Venture emergence	Product-market fit as selection criteria	Org B
	Broad in communication, sector/technology agnostic	TCO, Org B, Org C
	Experienced entrepreneurs, VCs, Angel Investors involved in selection jury	Org B
	Early stage ventures if promising team or idea	TCO
	Acceleration	
Strategic fit	Access to each other's solutions as a mutually beneficial exchange	TCO, Org A, Org B, Org C
	Facilitating exchanges between ventures and key people and departments, removing barriers	Org A, Org B, Org C
	Connect to corporate customers through references	Org C, Org B
	Internal Mentoring	Org A
	Identifying POCs with business units and periodical reviews on POCs	Org A, Org B, Org C
Venture emergence	Enable Ventures to capitalize corporate reputation to access markets	TCO, Org A, Org B, Org C
	Issue-based interactions with experienced entrepreneurs/investors	Org B
	Focus on growth metrics and periodic growth reviews (sales, customer acquisition)	Org C, Org A
	Mentors being external, experienced entrepreneurs	Org B

Table 5.5 Summary of features of the entrepreneurial process (Timmons & Spinelli, 2004) addressed by the accelerator programs

Feature	Covered by Organization:
Opportunity	
Creafted, molded, reinvented	TCO, Org A, Org B, Org C
Ensures long-term success	Org A, Org C
High potential solve problem, meet need	Org C, Org A, Org B
Defined by underlying market need, market size and robust margins	Org B, Org C
Resources	
People	TCO, Org A, Org B, Org C
Business plan	Org A, Org B, Org B
Financial resources	TCO, Org C, Org B
Strategic brain Trust	Org C, Org B, Org A
Commercial brain trust	Org B, Org A, TCO
Team	
Realize opportunity	Org B
Remove uncertainty/Ambiguity	TCO, Org B, Org C
Putting together a team is an entrepreneurial skill	N/A
Team = founder + rest	Org B, Org C
Characteristics: relevant experience, tolerance of risk, adaptability	TCO, Org A, Org B, Org C
Founder	
Balances all components	TCO, Org A, Org B, Org C
Everchanging environment	Org B, Org C
Timing is important since combinations occur in real-time	Org B

5.3 Combining Features and Deciding on Which Model to Apply

What features that are incorporated in the different parts of an accelerator program is, from the findings of the different organizations, mostly determined by the stage of the startups and the development of the local innovation ecosystem.

As seen from the analysis, there are features from both the strategic fit model and venture emerge model included in different aspects of the program configurations of the examined accelerator programs. This would imply that the models are possible to combine and merge into a hybrid model and the hybrid model is indeed common with CAs. However, the ratio of activities and in which parts the of the program each model should be represented differs depending on the stage of the startups.

In regard to the selection, the involvement of other personnel apart from the accelerator team is essential. Especially if the accelerator is of strategic nature the involvement of internal staff is critical in assessing the strategic opportunity. But if the ventures themselves need acceleration, there is also need for persons with entrepreneurial experience e.g. investors or experienced entrepreneurs to assess the commercial opportunity and their capability of expanding into a self-sustaining business.

During the program, there should be focus on establishing a relationship between startups and suitable business unit(s) through the involvement or engagement with business units to facilitate a potential collaboration. Since when the program has ended, the business unit will be the owner of any project and the process will need to have come to a stage where the process will not be too time-consuming for the startup nor of little or no identified value for the business unit. The mentors and coaches should also strive for creating a strategic brain trust and a commercial brain trust for the participating startups. What kind of brain trust that suits the startups is determined by the phase of the cohort and corporate structure, more specifically, by the size of the corporate (product-portfolio wise) and the proximity to business units.
If needed, there should also be features of commercial acceleration through external mentors and activities to engage with the local innovation ecosystem to reach the identified self-sustainable level.

These features generate two different models each suited for their target group of accelerators based on the maturity grade of the innovation ecosystem and phase of the startups.

With the first model, where the startups are of early stage, the focus is mostly put onto the entrepreneurial aspects of the startups apart from the collaboration with the organization. The activities accelerate the development of the team, resources, opportunity and founder for the startup to reach a viable stage for a collaboration with business units of the corporate. The focus is set onto the local innovation ecosystem, both in terms of business units and market access. External coaches or mentors such as experienced entrepreneurs constitute a commercial brain trust to enable tapping into the local market and accessing right stakeholders and investors. Internal mentors or fitters establishing a strategic brain trust to assist in navigating the local organization and finding collaboration opportunities.

With the second model, the startups are of a later stage, have a steady cash-flow and have passed the funding gap. The focus is mostly put onto the scaling of the startups, both in terms of external scaling accessing new and larger markets and internal scaling with collaborations with local and global business units. The startups are selected based on their fit with the business units and less on the commercial aspects of their opportunity. The activities focus mostly on the opportunity of the startup both in terms of the strategic opportunity and commercial opportunity, expanding their market reach and size by leveraging hubs in foreign markets offering soft landings and tapping into local innovation ecosystems. The participating startups can also be a subject to the organization's CVC unit (if there is one within the organization) or partnered investment, or VC fund to seek scale-up funding when expanding to new markets and growing in size.

Table 5.6 Hybrid models for Corporate accelerators with a strategic nature.

Hybrid models of Corporate Accelerators with Strategic Purpose

	Early Stage Hybrid Model	**Later Stage Hybrid Model**
Purpose	Identifying potential new solutions and services to integrate into business units and bringing startups to viable stage for collaboration with local organization through commercial development. Enhancing competitiveness to industry or market developments (SF)	Integrating new solutions and services into business units and expand startups into new markets and through local and global business units. Enhancing competitiveness to industry or market developments (SF)
investment	Offers investment through business angels and local investors and or co-investment from corporate to overcome funding gap.	Co-investing with small sums to find business opportunity with BU’s. Offers investment opportunities through partnered investment/VC funds or CVC branch to scale
Selection	Strategic- and human fit with local BU’s (SF) Entrepreneurial experience in selection jury (VE) Review of both commercial and strategic opportunity (SF/VE) Scout and open application (SF/VE)	Strategic- and human fit with local and global BU’s (SF) Later stage, financially independent startups Due diligence if investment (VE) Scout startups (SF)
Program Config.	Entrepreneurial topics and business acceleration activities, focusing on team, resources and commercial opportunity (VE) Facilitating exchanges between ventures and key people and departments, removing barriers (SF)	Facilitating exchanges between ventures and key people and departments, removing barriers (SF) Focus on growth metrics and periodic growth reviews (sales, customer acquisition) (VE)
Involvement of business units	Identifying potential POC(s) with local BU’s and periodical Reviews on POC (SF)	Identifying integrations with local and global BU’s and periodical reviews on integration (SF)
Mentoring & Coaching	Internal mentors or fitter depending on corporate structure and accessibility of BU’s. (SF) External mentor(s), entrepreneurial experience (VE) Issue-based interactions with external mentor on entrepreneurial topics (VE)	Internal mentor or fitter based on the corporate structure and accessibility (SF)
Network	Enable Ventures to capitalize corporate reputation to access local markets (VE) Enable ventures to capitalize external partners and mentors’ personal networks to access local markets (VE)	Enable Ventures to capitalize corporate reputation to access local and global markets (VE) Enable ventures to access global business units for international expansion (SF)
Accelerators on multiple locations (#CAs)	None	Offering soft landings for participating startups (VE). Joint KPIs collaborations between accelerator staff and task forces of joint roles to strengthen linkages.

With the two models being based on the accelerator programs studied in this study, an evaluation of the applicability of respective model should be possible. But the suggested models are not only depending on the phase of the startups in the accelerators search field and local innovation ecosystem. It also depends on whether the hosting organization have accelerators in ecosystems and countries of different or similar development and the corporate structure, for example TCO would might not be able to host similar accelerator programs such as Organization B is hosting in Africa through their European offices since there are no local business units.

6 Proposals for the Case Organization

This section is providing proposals for TCO on how to develop and restructure their CA program. The proposals are based on the analysis of the successful models, and how they support the entrepreneurial process and connection to their parent organization, as well as the findings from the interviewed startups that participated in the first iteration of TCOs program.

6.1 Opportunities

Looking at the established accelerator programs, and the findings from the startups that have participated in TCO's program, there are some new features that could be rearranged and some that could be incorporated in the program of TCO to facilitate the overarching goal of the accelerator, integrating and sourcing enabling technologies.

6.1.1.1 Product Champions

One feature that was existing with all external startup accelerator programs was product champions or internal mentors with the purpose to facilitate the potential collaboration with business units of the organization. Given the organizational structure, with the accelerator hosted by the New Ventures Division a suitable setup would be to have an internal mentor from that department.

But the purpose of the program is also to source enabling technologies to the existing business units. Therefore, the internal mentor would need to have a connection to other business departments. Given that fact, it would conceivably be more suitable to have an internal mentor from a suitable business unit or a fitter similar to Organization C. The choice between mentor or fitter would firstly depend on the possibility on finding internal mentors, and in what way business units are being incorporated in the selection process. Since TCO has a very broad product portfolio it would suggest that having a fitter with knowledge of the organizational structure and relationship with existing business units would be the option to consider.

The benefits of having a fitter working to facilitate the collaboration process are supported by the fact that the majority of the startups interviewed experienced navigating the organization was time-consuming and difficult. The threshold of integrating a fitter into the program is conceivably low since there is a strong will within the management team to connect startups with relevant stakeholders within the organization (stated by *Startup 4* and *Startup 3*) and the organization being innovative at its core, dissimilar to what the accelerator managers of Organization A and Organization B experienced with their organizations. Potentially it could be easier for TCO to implement a fitter and have it functioning better in terms of getting buy in from business units and product champions due to a more innovative spirit throughout the organization.

6.1.1.2 Involvement of Business Units

The selection process is currently only involving business coaches and members of the management team. They are looking at the commercial opportunity and team in terms of the coachability. All of the external accelerators studied had some form of involvement of business units and TCO, and since TCO is also pursuing a strategic objective with the accelerator similar to the other CAs, it would be beneficial to incorporate business unit representatives or a potential fitter in the process. This is further supported by the fact that three out of four startups joined the accelerator to explore the possibility of a potential collaboration with business unit of the organization, and that the final startup experienced that the program is suitable for startups with a strategic relatedness, but not for itself.

The business unit involvement could assist in evaluating the strategic opportunity and generate buy-in from the business units and rest of the organization. This is particularly important if the startup would have a potential fit with existing business units instead of with the New Venture Division. The program might also have an increased chance of sourcing startups with a strategic opportunity if the program were to be branded as a strategic program with business acceleration features instead of pure business acceleration.

However, branding it as a strategic program for early-stage startups could imply a misalignment since the strategic opportunity is a real-time product of the opportunity, team and resources that might change in the duration of the program and the full characteristics might be difficult to unveil through the selection process. But at the same time the applicants might be interested in collaborating rather than just leverage the brad if the program were to be rebranded

If there would also be a search-field aimed at a startups of similar stages/phases, the utility value of the acceleration process would be more beneficial and allow for startups to reach the same stage during the program and not having too simple/complex features for startups that differ stage-wise as mentioned by *Startup 1* and *Startup 2*.

6.1.1.3 Extended program

Since the search-field for the program is early stage startups, the business acceleration might have a considerable effect on the team, the opportunity and the resources of the startup for the duration of the program. Therefore, it might be more useful to investigate collaborations after the business acceleration rather than before, since this is the "final form" in which the startup would engage in such a collaboration. The startups might also need time to adapt to the new configuration of their components for the founder to balance them in an effective way, which was experienced by *Startup 4* or having the appropriate tools to implement the changes and manage the components (missing with CAs in general) experienced by *Startup 2*. Since the program ends after the business acceleration, the remoteness of the business units could hinder such a collaboration. If TCO instead would adapt the program configuration of Organization B with a longer program, the collaboration process could be incorporated in the program having both a business- and strategic acceleration process to facilitate the evolvement of the startup and a potential collaboration between startups and TCO. One must though bear in mind that the components of the entrepreneurial process might have changed to the extent that either one of the parties may no longer be interested in a strategic collaboration, and there must be structures in place to facilitate this outcome as well.

6.1.1.4 Partner Organizations

Since the business units are located remotely there is a possibility to benefit from having a similar setup of Organization B with involving partner organizations in the selection process and program, potentially being the partner organizations currently related to the accelerator. TCO would then potentially to a larger extent be able to evaluate both the commercial and strategical opportunity of the applying startups and connect them to the relevant stakeholders in the ecosystem throughout the program, both the local and also regional innovation ecosystem being Europe. The broader ecosystem could benefit the startups that are sourced from the local innovation ecosystem and are already connected due to its small size, a fact highlighted by *Startup 3*. Several startups experienced that the networking was aided by leveraging the brand of TCO, but the networking opportunities were few in the and they would have wanted more events and events suitable to the nature of the startup. With partner organizations, the networking opportunities could be tailored to the cohorts of the accelerator reaching out to more and suitable stakeholders.

6.1.1.5 Alternative Hubs

All of the external CAs have multiple hubs throughout the world with a joint strategy and collaborations such as soft landings across the hubs. The soft landings are most common with later stage startups emerging from developed ecosystem where they were central in the business offering to the startups joining the programs. With TCO the startups are generally early stage startups and the current search-field generates cohorts with startups at different stages of the lifecycle. Consequently, the need for soft landings are not as extensive. However, for the startups that are mature and ready for an international launch or with interest/benefits from engaging in a foreign market, a network of external relationship managers across offices of TCO would be able to provide some assistance in tapping into external innovation ecosystems. This would potentially also be of interest since the accelerator source startups from all across Europe.

6.1.1.6 Add value Entire Life

There are similarities between the open innovation setup of TCO and Organization C where both entities supply an accelerator program, are investing to discover potential collaborations and a venture capital branch investing larger sums and looking for return on investment. It is therefore possible for TCO to also add value to startups throughout their life similar to Organization C. If TCO aspire to mimic the features of Organization C with the current setup the investment and collaboration processes would have to be organized into a department similar to the structure of Organization C where the investment and collaboration department corresponds to the accelerator program of TCO. TCO would have to have more rigid structures and developed processes, supplying the startups with a strategic brain trust for the collaborations to take place since with the current setup, the investing entity is the accelerator. And the accelerator is hosting a business acceleration program for early stage startups and do not have features to facilitate the collaboration process nor provides the participating startups with a sufficient strategic brain trust as the later stage initiative of Organization C.

6.2 Challenges

6.2.1.1 Find Co-Investors and Adopt Co-Investing?

Organization C stated that their original accelerator program that invested in startups was terminated due to the fact that the startups were depending too much on the organization in terms of investors. The search-field of TCO are early stage startups that have gotten their first few clients or are about the release their first product, they have not yet overcome the funding gap, are in need of capital, but the needed capital is not extensive. TCO is investing pre-seed or seed-money sums, meaning that their investment results in a substantial share of the upcoming funding round, becoming a significant shareholder. This is a challenge for TCO since e.g. Organization C as well as Organization A stated that the organizations did not have the capacity to act as shareholders due to large shares and slow decision making and is something to avoid.

The investment from TCO is seen as a competitive advantage to other CA programs, but the interviewed startups perception of the investment was not as a funding vehicle, apart from *Startup 2*. The startups saw the investment as a long-term commitment in the relationship with the startup from TCO and related branding effects. This is supported by the fact that Organization C participates in later and heavier funding rounds with a small investment along with co-investors to be diluted and not have large share to get financial returns, but only to have a long-term commitment to the startup enabling internal scaling within the organization.

Even if TCO would co-invest, the innovation ecosystem that the program is hosted in does not have a significant supply of either capital from business angels nor venture capital, as stated by *Startup 3*, which could make it difficult to find co-investors that could supply sufficient financial and knowledge resources.

6.2.1.2 Remoteness from BU

A major difference in the presence of the accelerator of TCO to the external CAs is that the site does not house any business units of TCO, nor does any other offices in Europe. The proximity was promoted as a key enabler by all accelerator managers that were interviewed, more specifically the proximity to the business units, ecosystem, and also to the other open innovation initiatives of the organization (Organization C).

The organizations all had potential to create a deeper connection to the rest of the organization through this proximity, stated by both subject matter experts as a factor for longevity of the accelerator.

Most likely, it will take longer time with TCO to establish relationships and connections to both business units and other open innovation initiatives. The much-needed buy-in and engagement from these parts of the organization for the collaborations and incorporations may be missing. The startups also experienced that the site of the accelerator had to get approval from the operating New Venture Division in Japan to initiate processes of potential collaborations. The vast size also makes TCO difficult to navigate as stated by both the CA managers and startups.

The regional organization which is a sales and marketing organization also have KPIs that differ a lot from the innovation- and collaborative nature of work of the accelerator, creating a potential misalignment in the importance/utility value of the accelerator and impeding the connections and buy-in from the regional offices apart from the business units located in Japan.

There is also a risk associated with the startups being of early stage in the program due to the global business unit structure of TCO. When presenting them for a potential collaboration with existing business units, the startup might not have the desired scalability to be of interest for the global business unit to incorporate in their business and there might be different expectations on the startups due to the distance and not being aware of the state of participating startups.

6.2.1.3 Choose Business Units or Venture Division

The internal structure and placement of the CA from an organizational perspective could also be a challenge in realizing the goal for the accelerator program. Since the program is serving a dual purpose from an internal perspective, both supplying the New Venture Division and the other business units with potential collaborations, there could be a difficulty in framing the scope and selecting suitable startups.

The organizational relationship is stronger with the New Venture Division and would potentially be easier to work with than the other business units, but framing a scope for the New Venture Division and sourcing problems that the teams are looking for a solution to might be more difficult since the New Venture Division has been looking for all sorts of technology, i.e. also technology which is not in line with the scope of the business units. This is strengthened by the fact that *Startup 2* experienced the CA being sector/industry agnostic.

If the collaboration were to be initiated with business units, the process of establishing a relationship could be difficult since the current idea-flow to the department is going from business units to the New Venture Division and not the other way around.

6.3 Summary of Recommendations

Table 6.1 Summary of recommendations for The Case Organization

	Opportunities
Product Champions	By using product champions, being either fitters/commercial managers or internal mentors the relationship with suitable business units could be improved and foster potential collaborations
Involvement of Business Units	Since the program currently has no involvement of business units, it would be of great use to involve them in several aspects of the program, including selection and collaborations to enable the integration of new services into TCO.
Extended Program	If the program were to be extended, then the potential collaborations could be initiated within the program and be accelerated instead of now taking place after the program, it would also allow for participating startups to adapt to their rapid development.
Alternative Hubs	With TCO not currently having any other accelerator programs running simultaneously, they could instead leverage their other offices in offering soft landings for the participating startups at foreign markets.
Add Value Entire Life	By bridging the gap between the accelerator program and the CVC branch of the organization, TCO could provide value throughout the entire life of the startups and at the same time not making them too dependent on the corporation.
	Challenges
Find Co-Investors and Adopt Co-investing	Since the Skåne region does not hold the required capital nor investors for scaling and funding startups, there might be a difficulty in adapting co-investing and finding co-investors.
Remoteness from Business units	All of the established programs had a proximity to the business units, something which is missing with TCO. This could potentially hinder the possibility of establishing collaborations or integrating new solutions.
Choose Business Units or Venture Division	The accelerator program currently belongs to the New Venture Division of the organization which traditionally sources ideas from the business units. With the accelerator sourcing ideas for both entities, there can be difficulties in finding the most suitable partner for collaborations.

7 Conclusions and Final Remarks

In this final section of the report, the conclusions of the study are presented by firstly discussing the contributions to existing literature followed by answering the overarching research question and its sub questions. Finally, a discussion of the study's applicability and generalizability is presented as well as suggestions on future research within the research area.

7.1 Contributions to Existing Literature

The emerging research field of the CA phenomenon has not been studied in literature or research to a large extent. With the study of Shankar & Shepherd (2019) two divergent pathways of running a CA were discovered, the strategic fit and venture emergence model. They however stated that the pathways were distinctive divergent, but also reserving for the potential existence of other pathways.

This research has explored and found evidence that CA programs do not apply to only one of the strategies, but creates pathways constituted as a combination of the two models. Through the findings in this study, it does not only provide an answer to the proposed future research of Shankar & Shepherd whether hybrid-organizing models of CAs are possible, but that there are at least two hybrid-models to apply. Depending on the maturity grade of the innovation ecosystem that the accelerator programs or hubs are located in and the phase of the startups in the search field one model is more suitable than the other.

What was also discovered was that the CA to a large extent mainly engages with local business units and predominantly utilizes the network of accelerators for later stage startups offering soft landings in new markets. Looking at the development of CAs worldwide, the model of internal multiple accelerator first discovered and mentioned by Mahmoudh-Jouini, et al. (2018) has been the operating model that have had the highest rate of survival out of the CAs operating as of 2016. The findings regarding different internal product/collaboration champions are also features not previously discussed in existing literature.

7.2 Answers to Research Questions

How do you design a corporate accelerator program with a dual purpose of strategic fit and venture emergence?

The overarching research question is answered by providing answers to the underlying sub questions.

(1) What are the essential activities in such a corporate accelerator program?

Through the study and the interviews with the relevant stakeholders, focusing on the external CAs that have operated for more than five years' time, the essential activities were identified as the following

1. *Selection and search field*

The selection and search field of a CA program defines and determines the cohorts and the strategic objective of the CA to a large extent. When framing the search field, the product portfolio of the corporation, both in terms of applicability of the products as the total width is favorable. Depending on the strategic intent of the accelerator and phase of the startups, the selection committee should aspire to involve (to the accelerator) external experts assessing the commercial and strategic opportunity. The main components of the startups to asses are the opportunity and the team. The opportunity is assessed on how it acts as a solution towards both an internal and external needs/wants/problems, and the team on the adaptability, previous experience and human fit with potential business units.

2. *Involvement of business units*

The involvement of business units is essential for CA programs that has the strategic intent to incorporate and extend new businesses. The involvement in the actual program is not essential but should be incorporated in the selection process to assess the strategic fit and human fit since potential collaboration projects are owned by the business unit and not the accelerator which makes the human fit important. Depending on the corporate structure, internal mentors or fitters should also be involved in the program

3. *Networking and tapping into the local innovation ecosystem*

All of the interviewed accelerators were sourcing most of their startups from the local innovation ecosystem and also establishing the main part of the collaboration with their respective organization through the local business units located at the site or in the country. For programs targeting early stage startups or hosted in emerging innovation ecosystems, it is of even greater importance to engage with the innovation ecosystem in the form of partnerships with local branch organizations and involvement of local experienced entrepreneurs and investors to be able to accelerate the emergence of ventures and bring them to a viable stage to initiate a collaboration with the organization.

4. *If investing – include co-investors*

If the CA intends to invest in startups, they must make sure that the startups do not rely on the corporations since they generally are not agile and fast enough to keep up with the development. This is best done by investing small amounts and co-investing with other investors with startup- and or other entrepreneurial experience. The investment that the accelerator does should not be motivated by financial returns but by establishing a long-term commitment to the startup. If the desire is to gain financial returns, an experienced investment entity such as a CVC-branch of the organization should be incorporated, and at a later stage.

(2) When and how should existing business units and external entrepreneurs be incorporated in the program?

With strategic accelerators such as the ones included in this research the business units of the hosting organization should be incorporated in the selection and for the duration of the program.
All of the studied CAs with longevity had involvement to some extent from business units in the selection. The most important factor in the selection process is considered to be the human fit with the business units, since the accelerator is not the owner of potential collaborations or integrations of the startups' solutions with the business unit but only acts as a mediator. The owner of the collaboration is the business unit and they must be incentivized to engage in such a collaboration since it is not a "requirement".

Out of the same reason, the business unit should be involved throughout the duration of the program (after the startup have adapted to their potentially new combination of components) to make sure that the collaboration is initiated and accelerated to a point where, when the program ends, the two parties can engage with one another in an effective manner so that the slow processes of a corporate does not weigh down the startups.

(3) What does the portfolio management of participated startups look like?

Few of the accelerators in the study had a portfolio management approach within the accelerator, this was mostly due to the fact that the accelerators is not the collaboration entity but a mediator between the external startups and the business units of the organization. Therefore, the portfolio managing is handed over to the business units. The exception of this behavior was Organization C which invested in the startups and did not have a time-limed program but acted more as a strategic CVC or business developer.

7.3 Future Research and Limitations

A limitation of the study was that it not does not provide the full picture of the changes that the studied accelerators have gone through and what the driver of these changes have been. This was partially due to the fact that most of the interviewed accelerator managers had not been with the accelerator for its entire lifespan and due to semi-structured interviews not always covered the same topics. The study might also have lesser applicability with powered-by accelerators and consortium accelerators since they were not represented in the interviewed CAs. The CAs studied in this research all had an overarching goal of incorporating and integrating new solutions, meaning that the conclusions and findings might not be applicable for CAs with different overarching goals.

The existing research and literature on CAs is mostly focusing on typologies and overarching strategic goals. The need for continued process-related studies of the CA phenomenon is highly relevant as the accelerators established in 2016 and earlier have matured and can provide insights on how to establish CAs for other organizations. This study has been of an exploratory approach and there are themes and aspects that have been discovered that could be subject to in-depth studies.

Firstly, this study focused on hybrid models of venture emergence and strategic fit but other pathways are yet to be discovered and studied to provide further understanding in what ways CAs can be managed.

Secondly, to investigate the high survival-rate of internal multiple accelerators and of telecommunication-accelerators would provide further understanding of CAs with longevity

Thirdly, to investigate the relationships between CVC-units and CAs within organizations to understand how they can co-exist in a beneficial way could provide answers to if CAs could be funded through investments.

7.4 Comments from Subject Matter Experts

The subject matter expert reviewing the final report (Raj Shankar) expressed that the use of Burgelman’s (1984) model was suitable and that the findings regarding CA setup and staffing was of great interest and needed more digging. However, the review in regard to startups was not as strong as the ones regarding corporate entrepreneurship model, being a bit too stretched at times. He encouraged the author to take some findings to publication, especially the hybrid model, but stated that if it were to be a journal publication, it needed re-work and re-writing, but for a master thesis it was well done and displayed a good effort.

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Appendix A Description of the Case Organization and Assignment

TCO is a large multinational with over 100 000 employees worldwide. The corporation is active within a wide array of industries ranging from consumer electronics to entertainment and professional solutions within medtech. The heads for the organizations business units are all located at the global headquarters. R&D and innovation has been an integral part of the organization's recent strategy and there is an ambition to improve and develop these areas further. The master thesis was conducted in collaboration with the business unit responsible for new businesses and the appurtenant accelerator program at the Lund site office, a new branch of the new businesses' unit.

The predominant function of the main branch (located at the global head office) is to foster internal entrepreneurial projects from other existing businesses units. This is done by either facilitating the product development process for the business unit or creating new businesses within itself if the solution or service is unrelated to the business unit from which it originated from. This process of sourcing ideas from the employees is referred to as *The Innovation Journey* where they can submit ideas with the needed driver and needed team to realize the project. They can also submit ideas without committing but only informing the organization, other employees can then commit to these projects.

TCOs accelerator is the first of its kind within the organization. The program is set to be developed over time and act as a bridge between external startups, the existing businesses of the organization and the CVC-fund of TCO. The mission of the thesis was to come up with a theory-based suggestion on how to construct a corporate accelerator program suitable to the organizational structure of TCO. More specifically, suggestions on program configuration with the available resources at the site and the strategic objective of the accelerator and the organization as a whole.

Appendix B Comments from Startups Regarding the Case Organizations' Accelerator Program

B.1 Purpose of Participating

- We saw this as a great opportunity to get a convertible loan from TCO so we could extend our runway because it takes time to raise money. Often people think that it takes around two to three months, but it can take years depending on what you do and what stage you are in. So, we thought that we would get some money from them to extend our runway – *Startup 3*
- We thought it was a great opportunity. And then we figured out that partnering with a well-known brand like TCO would be really, really good in so many ways. And so that was also encouraging for us to see how we could collaborate with TCO. And what we're doing is, in order to help the small businesses, we need corporate partners. So, so that was also encouraging, to evaluate those opportunities. – *Startup 3*
- We were really motivated by the prospect of being part of TCO pro brand, because TCO is a potential customer for us. And this is a relatively good way in because you get a lot of exposure, and you work with many different people inside the accelerator inside the corporation – *Startup 1*
- When you join an accelerator, you get a mentor who can guide you through their structure and find exactly the right people. So that's first, second possibility was to get a pilot project. And then third reason is to understand how corporates work effectively with startups, how they innovate, how they build the business. So this is something that is really important for us, If one has the b2b business model. So, in our case, that was exactly the case. So b2b the business model, the corporate was also our clients. That's what we were looking for. – *Startup 2*

B.2 Selection and Alignment

- The way how we try to do that is we were always very vocal about what our intentions are. We try to be transparent and open in what we want to achieve. I regularly on a weekly basis, touch base with the managers of the accelerator program. And told them where do we stand with the financing? Where do we stand with the exposure to other groups inside TCO? And I think that was our approach just to be a bit pushy. Yes, I guess you have to be that, but openly communicating to them what our intentions were. So we didn't want to play any games or anything in that matter. – *Startup 1*
- We felt comfortable signing their terms agreeing with their terms, because they are so far away from our industry and what we were doing. But if we were a competitor with TCO, we would not sign that agreement. So that agreement is very one sided. – *Startup 3*
- When they start introducing you to different stakeholders, you understand which one are relevant and which are not. And it's more like, you know, matching match or department matching high probability that you will not find a match. But I think those startups that have no match, they were filtered on the first interview, to be accepted to the accelerator. Okay, now, there was a prescreening and they knew already that we have interested In. technology that might be in interest for TCO. So that's why they accepted, and they not only accepted us, but they also invested in us – *Startup 2*
- Standard, sending an application go for an interview. It was like Yeah, very nice people, I would say it's just like any other almost – *Startup 4*

B.3 Program Configuration

- I think just given by the selection of the startups, which was very broad, this is by nature, a weakness of such a program and I think there are already Implementing the change by having a, an early stage accelerator this year and the later stage or something like this, I don't know the terminology. – *Startup 1*
- I think it was really good, the order because they started in a way where you introduce yourself in your company and you do some, we did a pitch in front of TCO's employees. And you kind of show what level you have. You could show the TCO people that this is your current level. And then you went through the program courses and and consultants and and you improve yourself you improve your pitch and you can communicate better. And then at the end of the program, you had a second chance to pitch and you could see how much you have developed. So I think, no, I'm really, really satisfied. And then the order was good as well. – *Startup 3*

- You know, you have to be agile on your product development and you would still communicate with the customer. This is something that everyone tells you. Yeah, but how to do your accounting? Or let's say how to what software I use for this, or let's say, even introduced to some accounting companies, how they look at the process or something like this. That's essential things. Also how to structure different activities like business development, like product development, should I hire the team or should I outsource this or another things? Yeah, so this is something that actually all the accelerators are missing, they don't provide the overview of the startup development phases, and what resources and what engagement is needed. – *Startup 2*
- I would rather honestly like have it over a longer period of time. And at the same time you get more time to digest what you learn from the like from the workshops and so and you actually get the chance to apply to new knowledge. And of course, to reach out to all the connections. One thing that happened for us before we join the TCO CA, yep. So we had just started to push this new technology to different companies and then we had, sure it was the beginning, but we had like five leads only. And then throughout the program, we've only introductions and everything like we ended up with 57 leads. Okay. Yeah. During the span of what, like 11-12 weeks we grew that leads list quite a lot. And it would have been great if we had like, more time, you know, to actually make use of like all the leads – *Startup 4*

B.4 Involvement of Business Units

- They are a little bit slow on decision making because they need to have approval with head office and its different. And I could see that the similar tendency, slower tendency with the other program, but then it goes a little bit faster because we also work through their headquarter in Germany, and we can directly talk with stakeholders and then they also delay but making faster decision making – *Startup 2*
- Now since we are an investment case of TCO, they're still showing a lot of interest to actually do that. So we're setting up a workshop. We're having calls with their experts in Japan. So this is still ongoing, but I assume that for the cases that didn't end up with an investment, this activity might not be happening – *Startup 1*.

- It was like, “can you introduce me to this person, I would like some?” They would do it, no problem. The problem was, we didn't know the structure within TCO. We didn't know who to talk to, we didn't know who the right person is. So yeah, it was a little bit challenging, more or less, like just waiting for them to like, find someone like we wanted to actively also, you know, find people within the organization that might be you know interested in us, and we might be interested in them. So that's that was quite a challenge. – *Startup 4*

B.5 Networking Opportunities

- I think it's a very intransparent jungle. Who is responsible for what? what's the politics inside? So, this was actually a bit challenging because it was very hard to understand who is actually pulling the trigger who has the budget who is deciding what and it also seemed that TCO is still reigned very centralistic. So, I think a lot of power is still at the global headquarters. Which made it a bit difficult for me to actually talk to the very high level relevant people. – *Startup 1*
- This is a problem in south Sweden. We don't have that many investors based in Skåne now. Yeah. And the ones that are here, you probably already know them if you're running a startup and looking in our startup, all of our most I think we have only one business angel in Skåne everybody else is based in Stockholm, that's where the capital is. And there's also some difference business angels in Skåne, if they really like your business idea, they might invest 200,000 300,000 or so. But in Stockholm they have completely other level. And yeah, it's a bigger market. – *Startup 3*
- All of the networking opportunities was through like introductions so if you except from like, the workshops that we had. Those yeah, they brought in brought in the people. But yeah, like for most parts, most of the networking opportunities was for us to grab, like we need to like proactively, like talk to the people "Hi do you know, someone like that we're in this phase and then yeah, Oh, I know someone" and so on. And so it's kind of like an organic process, I would say, Yep. It was never like okay, so So now we gather like, like a roomful of like 50 people that might be interested in your area, go and mingle and so on. – *Startup 4*
- I think it's a bit slow, it could be faster. But I talked with some mentors they said it's in case of TCO they are a little bit slow on decision making because they need to have approval with Japanese office and its different – *Startup 2*

B.6 Investments

Comments from startups

- And this is where I think TCO should be in a little bit more transparent on what kind of companies they invest in and what's the conditions and what their expectation is, but because if I knew all these things in the beginning, I would probably just tell them, no thanks. And let another startup take this spot. It didn't hurt our brand at all, it just costed us a little bit time. – *Startup 3*
- It was so weird, but you know, they should be a little bit more concrete on this investment topics because it's so important. I think a lot of startups are looking for funding as when they need to know that. So, they need to make the decision before the program starts, so you know, what you can have from them and what you can take? – *Startup 3*
- I mean, there's a lot that TCO could bring to the table beside money. It's not really about the money when it comes to like, you know, a brand such as TCO. It's more of the both the expertise and once again like us having the brand is is very strong thing. – *Startup 4*
- I think one of the good things that the other accelerator program offer is communication of their investment time and they provide input have a look at the startups and what they expect from startup to fulfill in order to be qualified for the investments. In case of TCO it was more like a blackbox decision making there of course, they graduated they saw they communicate, but it was kind of. When we had discussion, I found that there are some pre-screening Yeah, it was investment but that was not in announced. So, I think that was something that could be notified, or they could say this is our selection criteria. So, if you fulfill, we might consider you for the investments. – *Startup 2*
- Yes, we did seek investment we also got the investment. let's say we wanted to have a demo to come back to your question of alignment. For us. The worry was that as soon as the accelerator program will be finished, we will go back home to Switzerland and all the connections will basically go to waste. So, for us, it was important that we could have a way to in the future also be aligned with them. And the perfect way to do that is to get them as shareholders because they it is not only a write of them but also a commitment from their side to be active as shareholders and this helps us to still be in very active contact with the TCO group and the TCO startup accelerator. – *Startup 1*

Appendix C Interview Guides

C.1 Interview Guide External Corporate Accelerator Program

Background

- Tell me a little bit about your background

Background to accelerator

- What was the background to the corporate accelerator?
- When was it started?
- Which strategic intent did you pursue with the corporate accelerator?
- How do you align the corporate objectives with the startups' expectations?
- Which startups (stage-wise) do you want to partner with?
- Did you take equity? What model do you use?
- What was the innovation challenge and how do you frame it?
- How much diversity of ideas do you want?
- Did you focus on a narrow problem, or do you explore broader innovation opportunities?

Process (How)

- How long is the program? Why?
- What is the structure of the selection process?
- How do you structure the program?
- What activities and in what order?
- How have you made it easier for startups to work your corporate?
- Did you invest/provide funding to the participating startups?
    - In what way?

People (Who)

- What constitute the core team (manager etc)?
- How do you identify and select startups?
- Are business units involved and in what way?
- How do ensure internal buy-in from executives and managers?
- Which internal and external mentors do you have, what are their purposes?
- How do you foster networking to support startups and foster corporate innovation?
- How do you tap into existing startup communities and add value to the ecosystem?

Presence (where)

- How do the program develop into new countries?
- Why have you chosen the current locations?
- What are the collaborations between programs?
- How do they differ
- How do you manage interactions between business executives and managers and startups?
- Is it a virtual or a physical accelerator?
- Why did you run your own program and not third-party involvement?

C.2 Interview Guide Subject Matter Experts

Background

- Tell us about your background and how you have worked with corporate accelerators?
- What have your research mostly been focusing on?

General

- What is your general opinion of Corporate Accelerators?
- What is the state of Corporate Accelerators 2019?
- How have the Corporate accelerators changed over time? Are there any trends etc.?
- What is essential in creating a sustainable accelerator program with longevity?
- What is the most common fall pit for Corporate accelerators in long-term success?

Activities

- What activities are needed from a practical standpoint, to set up a Corporate Accelerator?
- Which stages/activities are essential in accelerating the strategic fit (pre-during-post)
- What is the impact of the order of activities?
- To what extent should the business units be involved in the program?
- On what terms/circumstances (criteria) do you alter the activities for each startup? And to what extent?
- To what extent does the startups change their model to fit with the program?

Combining strategic fit with venture emergence

- Have you seen any trends or indications on the development of each configuration?
- Which of the paths is most appreciated from startups?
- What are the most essential activities in each configuration?
- Is it possible to support both strategies in a program?
- What is your perspective on how a hybrid model should be constructed?
- Is Investing for equity possible with strategic fit?
    - What purpose would it suit?
- What should I be looking at/for in investigating the corporate accelerators?

C.3 Interview Guide Startups participated in TCOs' Accelerator Program

Background.

- Tell me a little about your background and your business?

Proposition (what)

- Which strategic intent do you pursue with joining a corporate accelerator?
- How did you come across/choose TCOs' Accelerator Program?
- How do you align your objectives with the corporate expectations?
- Did you seek investment? Why?
- Did you receive funding? What was your opinion on the funding?

Process (How)

- Looking at the pre-process:
- What was your experience of the selection process?
- Looking at the during-process:
- What was your experience of the program configuration?
- What was your experience of the order of activities?
- Was it something that was missing?
- How were you able to connect with business units of TCO?
- Looking at the post-process:
- How have the post-process been and what was your expectations?

People (Who)

- How was the internal buy-in from executives and managers?
- Which internal and external mentors did you have, what are their purposes? What was your experience?
- What was your experience of the networking opportunities?
- To what extent were you able to tap into existing startup communities and add value to the ecosystem?

Presence (where)

- What was your experience of the required presence and activities?

Other

- What was the overall process like?
- What was the best features? (Pre-during-Post)
- What was missing? (Pre-during-post)
- Expectations/reality?
- Are you interested in applying for another corporate accelerator?
- Would you recommend others in joining a corporate accelerator?
- If you were to join the accelerator again, would you have liked any changes? And what would those be (pre-during-post)?

Appendix D – List of Corporate Accelerators

Company	Accelerator	Sector	Sector consolidate	Priority	Active	Timepsan	Funding	Equity	Starting year	Pivot	Type (Shankar/Shepherd)	Type (Kanbach/stubner)	Type (Moschner et al)	CVC-Unit
E.ON SE	:agile Accelerator	Energy	Single Industry	1	Active	3	22 000€	No	2013	-	Strategic fit	Value Chain investor/Listening post/test laboratory	Hybrid model	E:ON SCI
Orange SA	Orange Fab France	Telecommunications	Telecommunications	1	Active	3	15 000€	Yes (convert bond)	2013	-	Strategic fit	Value chain investor	Multiple internal accelerator	Orange Digital ventures
Telecom Italia SpA	Wcap Accelerator	Telecommunications	Telecommunications	1	Active	No info	No info	No info	2009	-	Strategic fit	Value chain investor	Multiple internal accelerator	Yes (TIM Ventures)
Telefonica SA	Wayra	Telecommunications	Telecommunications	1	Active	9	Credits of services	Yes (Convert)	2011	-	Strategic fit	Value chain investor	Multiple internal accelerator	Innovation Ventures
Wells Fargo & Co	Wells Fargo Startup Accelerator	Banking	Banking Financial Services	2	Active	6	1 000 000$	Yes in some	2014	-	Strategic fit	Value chain investor	Internal accelerator	Wells Fargo Strategic Capital
Sprint	Sprint Accelerator	Telecommunications	Telecommunications	2	Active	3	Can be negotiated with partner companies	No	2013	-	Strategic fit	Value chain INvestor	Consortium accelerator (internal)	Sprint Ventures
Telenet Group Holding NV	Telenet KickStart (Idealabs)	Telecommunications	Telecommunications	2	Active	4-8	No info	Yes	2014	-	Strategic fit	Value chain investor	Internal accelerator/Powered by accelerator	No Info
Unilever plc	The Unilever Foundry	Consumer Goods	Consumer goods/food	3	Active		$50 000	Yes (in some)	2014	-	Strategic fit	Value chain investor/Listening post	Multiple internal accelerator	Yes (Unilever Ventures)
Target Corp	Target India Accelerator	Retail	Retail	3	Active	4	Funding can be provided, but no info on amount	No info	2014	-	Strategic fit	Value chain investor	Internal Accelerator	Target Global truly
Allianz SE	Allianz Digital Accelerator	Insurance	Banking Financial Services	-	Active			No		Investments	Strategic fit		Internal accelerator	Allianz X
Barclays PLC	Barclays Accelerator	Banking	Banking Financial Services	-	Active	3	120 000$	Yes	2014	-	Venture emergence	Unicorn Hunter?	Powered By Accelerator	Barclays UK ventures
Citi Group	Citi Accelerator	Banking	Banking Financial Services	-	Active	12-18	??	No	??	-	Strategic fit	-	Internal accelerator	Citi Ventures
MasterCard Inc	Start Path	Payments	Banking Financial Services	-	Active	6	partake in upcoming funding round	No	2014	-	Strategic fit	-	Internal Accelerator	No Info
PCH International	Highway 1	Consumer Electronics	Computer software/hardware	-	Active	4	50000-100000	yes(5-10%)	2013	-	Venture emergence	-	Multiple internal accelerator	No Info
Coca Cola co	The Bridge	Beverage	Consumer goods/food	-	Active	7	???	No	2014	-	Venture Emergence	Value chain investor/Listening post	Powered by accelerator	Coca Cola Global Ventures
Axel Springer	Axel Springer Plug & Play Accelerator	Publishing	Media/Publishing	-	Active	3	25 000€	Yes	2016	-	Venture emergence	Unicorn Hunter	Powered By Accelerator	Axel Springer Digital Ventures
DPA	Next media Accelerator	News Media	Media/Publishing	-	Active	6	25000€ - 500000€	Yes (3-10%)	2015	-	Venture Emergence	-	Internal Accelerator	No Info
Prosieben Sat.1 Media AG	Prosieben Sat.1 Accelerator	Mass Media	Media/Publishing	-	Active	no ino	1,5M€ ad volume = 500k€ convert	yes (Convert)	2013	-	Strategic fit	Unicorn hunter?	Multiple internal accelerator	ProSieben seven ventures
METRO AG	METRO Techstars	Retail	Retail	-	Active	3	20000€ + 100000€ Convert warrant	Yes 6%	2015	-	Venture Emergence	Value chain investor/ unicorn hunter (Retail/Vanliga)	Powered By Accelerator	Leadx Ventures
Airbus	Airbus bizlab	Aerospace	Single Industry	-	Active	4	45 000€	no	2015	-	Strategic fit	Value chain investor	Internal accelerator	Airbus Ventures
Bayer AG	Bayer G4A	Pharmaceuticals/Chemicals	Single Industry	-	Active	No info	500000€ - 100000€	No	2013	-	Venture emergence/Strategic Fit	Value chain investor	Hybrid model	Bayer Growth Ventures
EY	EY Startup Challenge	Professional services	Single Industry	-	Active			No info		-	Venture Emergence	-	Consortium Accelerator	No Info
Interpublic Group of companies, Inc	R/GA Ventures	Advertising	Single Industry	-	Active	3	20000$ + 100000$ convert	No and yes	2013	-	Venture Emergence	Unicorn hunter	Internal, multiple accelerator (Virtual?)	R/GA Ventures
Tune Group	Tune Labs	Leisure/entertainment	Single Industry	-	Active	No info	??	Yes	2015	-	Venture emergence	??	Internal accelerator	Tune Ventures
Walt Disney Co	Disney Accelerator	Entertainment	Single Industry	-	Active	No info	120 000$	Yes	2014	-	Strategic fit	Value chain investor	Internal accelerator	Steamboat VC
At&T Inc	AT&T aspire accelerator	Telecommunications	Telecommunications	-	Active	4-6	100 000$	Yes?	2015	-	Venture emergence	??	Internal accelerator	AT&T Ventures

Deuthsce telekom AG	Hub:raum	Telecommunications	Telecommunications	-	Active	No info		Yes	2012	-	Strategic fit		Powered-By	Deutsche Telekom Strategic Investments
Telekom malaysia	Digital Malaysia Corporate Accelerator Program	Telecommunications	Telecommunications	-	Active	No info		No		-	Venture Emergence		Powered By Accelerator (Consortium)	No Info
Telstra	Muru-D	Telecommunications	Telecommunications	-	Active	6	75000$(AUS)	Yes (SAFE)	2013	-	Venture emergence		Multiple internal accelerator	Telstra ventures
Microsoft Corp	Microsoft Accelerator	Computer software/hardware	Computer software/hardware	-	Not sure					Startup collaboration			Internal accelerator	
John Lewis	JLAB	Retail	Retail	-	Not sure					-			internal accelerator	
Kaplan	Kaplan EdTech Accelerator	Education	Single Industry	-	Not sure					-			Powered by accelerator	
La Poste	Start'inPost	Postal Service	Single Industry	-	Not sure					-			Internal accelerator	
AIA	AIA Accelerator	Insurance	Banking Financial Services	-	Terminated					-			Powered-By	
Bank of Ireland	Bank of Ireland Accelerator programme	Banking	Banking Financial Services	-	Terminated					-			Powered-By	
DBS Group Holdings Lth	DBS Accelerator	Banking	Banking Financial Services	-	Terminated					-			Powered-By	
Microsoft Corp	Microsoft Scale-up	Computer software/hardware	Computer software/hardware	-	Terminated					Startup collaboration			Multiple internal accelerator	
Microsoft Corp	Microsoft Venutre Accelerators	Computer software/hardware	Computer software/hardware	-	Terminated					Startup collaboration			Internal accelerator	
Cisco Systems Inc	Cisco Entrepreneurs in Residence	Networking Hardware	Computer software/hardware	-	Terminated					-			Internal accelerator	
Samsung Electronics	Samsung Open innovation Center	Electronics	Computer software/hardware	-	Terminated					-			Internal accelerator	
Anheuser Busch Inbev SA	Budweiser Dream Brewery	Beverage	Consumer goods/food	-	Terminated					-			internal accelerator	
Nike Inc	Nike Fuel Lab	Apparel	Consumer goods/food	-	Terminated					-			Internal accelerator	
Swire	Blueprint Accelerator	Property, aviation, food, retail	Consumer goods/food	-	Terminated					-			Internal accelerator	
Citrix Systems Inc	Citrix Startup Accelerator	Cloud Computing	Internet services	-	Terminated					-			Internal accelerator	
ImmobilienScout24	You Is Now	Real-estate portal	Internet services	-	Terminated					-			internal accelerator	
Yahoo! Inc	Yahoo Ad Tech Program	Internet/Search engine	Internet services	-	Terminated					-			Internal accelerator	
Yandex	Tolstoy Summer Camp	Internet/Search engine	Internet services	-	Terminated					-			Internal accelerator	
BBC	BBC Worldwide Labs	Mass Media	Media/Publishing	-	Terminated					-			Internal accelerator	
Bonnier	Bonnier Accelerator	Media Group	Media/Publishing	-	Terminated					-			Hybrid Model	
Modern Times Group	MTGx MediaFactory	Mass Media	Media/Publishing	-	Terminated					-			Internal accelerator	
Singapore Press Holdings	SPH Plug and Play	Publishing/mass media	Media/Publishing	-	Terminated					-			Powered-By	
Time warner Inc	Media Camp	Mass Media	Media/Publishing	-	Terminated					-			internal accelerator	
L Brands Inc	Leading Entrepreneurial Accelerator Program	Retail	Retail	-	Terminated					-			Powered-By	
Volkswagen AG	Ideation Hub (Volkswagen ERL Technology Accelerator)	Automotives	Single Industry	-	Terminated					Collaboration branch			Consortium Accelerator	
DPD UK	DPD Last Mile Labs	Courier	Single Industry	-	Terminated					-			Internal accelerator	
Interl Corp	Intel Education Accelerator	Semiconductors	Single Industry	-	Terminated					-			internal accelerator	
Mondelez International Inc	Mobile Futures Accelerator	Food processing	Single Industry	-	Terminated					-			Internal accelerator	
Travelport	Travelport Labs Incubator	Travel	Single Industry	-	Terminated					-			Internal accelerator	
YLE	YLE Media Startup Accelerator Program	Broadcasting	Single Industry	-	Terminated					-			Powered-By	
Qualcomm Inc	Qualcomm Robotics accelerator	Telecommunications/ Semiconductors	Telecommunications	-	Terminated					-			Powered-By	