

# The Entrepreneurial Organization is Dynamic and Ambidextrous: Implications beyond Silicon Valley

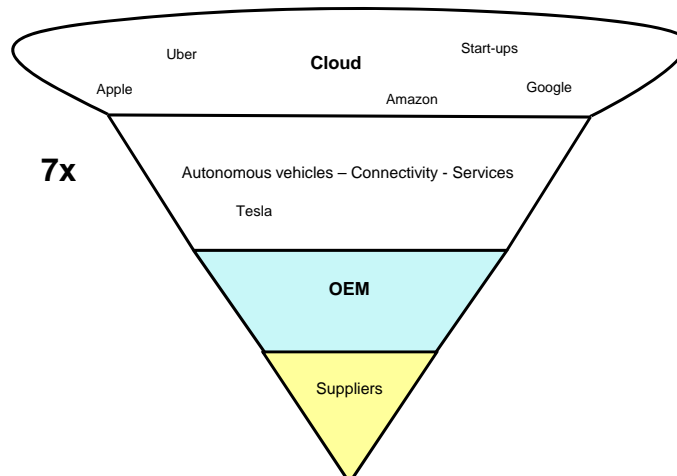
Sverker Alänge

**Lindholmen Software Day**

2018-05-29

sverker.alange@chalmers.se

## Value Creation in the Vehicle Industry & Related Industries



Alänge 2017-05-31

## China as a new global leader

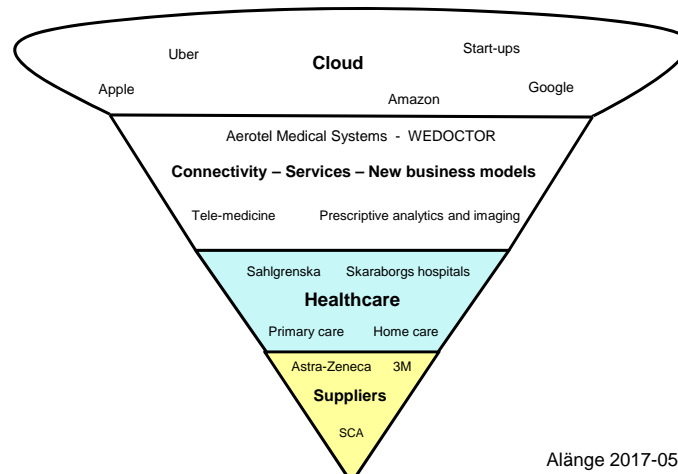
- In October 2016 – 9 firms making electrical cars in China (and 200 startups)
  - In 2017 - 12 Chinese manufacturers of EVs
- 600.000 EVs in 2017 (half of the world production)
  - 1.000.000 electric cars will be sold in China in 2018 (prediction)
- **New Government Regulations:**
  - No new private car owner permits in mega cities like Beijing and Shanghai from 2019
  - Requirement for selling cars in China - that minimum 10% of all cars sold on Chinese market are hybrid or electrical from 2019

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### Value Creation in Healthcare & Related Industries



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## Globally most valuable VC-backed companies

1. UBER – 2009 - ride-hailing platform - \$69.6B – San Francisco, CA
2. DiDi – 2015 - ride-hailing platform - \$56.0B – Beijing
3. Airbnb – 2008 - online property rental marketplace - \$31.0B – San Francisco, CA
4. MEITUAN-DIANPING – 2015 - online marketplace platform - \$30.0B - Beijing
5. SPACEX – 2002 – aerospace and space transport services - \$24.7B – Hawthorne, CA
  
6. WeWork – 2010 - shared office-space for collaboration - \$21.1B – New York
7. Palantir Technologies – 2004 - data fusion platforms - \$20.5B – Palo Alto, CA
8. TOUTIAO – 2012 - mobile based personalized news application - \$20.0B - Beijing
9. Pinduoduo – 2014 - online group buying platform - \$15B - Shanghai
10. Pinterest – 2008 - content sharing platform - \$12.3B – San Francisco CA
  
11. Samumed – 2008 – biotech tissue-level therapeutic drugs - \$12.0B - San Diego, CA
12. Lyft – 2007 - ride hailing platform - \$11.7B – San Francisco, CA
13. Paytm – 2000 - mobile payment and e-commerce platform - \$10.0B – Noida, India
14. Stripe – 2010 - online payment platform - \$9,2B – San Francisco, CA
15. JD Finance – 2012 - investment and financing platform - \$9.1B – Chaoyang, China
16. Dji – 2006 - unmanned aerial drones and camera support - \$8.0B – Shenzhen, China
17. Jiedaibao – 2015 - lending and borrowing loans application - \$7.6B - Beijing

## Nano technology patents

Percentage of WIPO patents

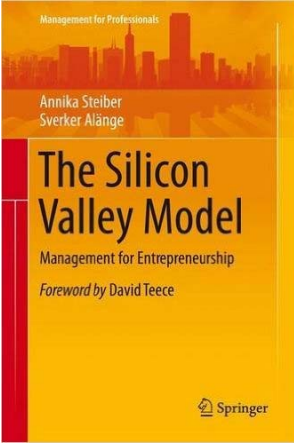
	2000	2010	2015	No. of patents per capita in 2015
China	5.57%	32.13%	<b>61,78%</b>	18.8
USA	<b>43.4%</b>	27.57%	15.7%	20.7
South Korea	8.37%	10.91%	6.34%	<b>53.3</b>
Europe 27	23.65%	7.58%	4.91%	<b>4.2</b>
Japan	13.94%	10.59%	3.25%	23.11
<b>Total no. of patents</b>	<b>2.030</b>	<b>23.067</b>	<b>42.822</b>	

Source: Zhu et al. 2017

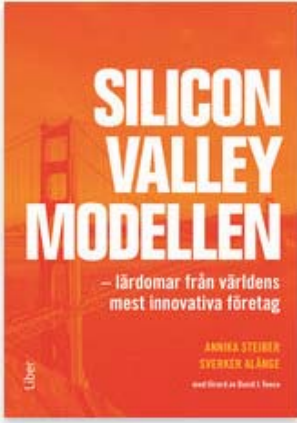
**CHALMERS**  
UNIVERSITY OF TECHNOLOGY

**The Silicon Valley Model: Management for Entrepreneurship**  
1st edition 2016

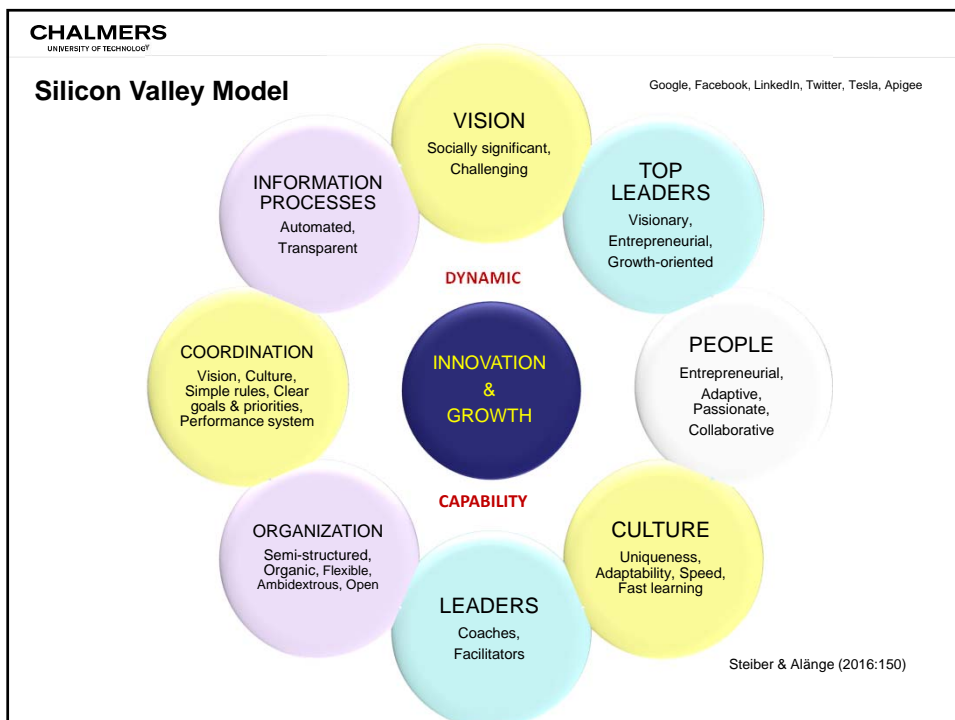
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Google, Facebook, LinkedIn, Twitter, Tesla, Apigee



## Will China Surpass Silicon Valley?

Haier, Alibaba, Baidu, Tencent, Xiaomi

- A Country capable of innovating – in technology and product areas
  - Also in business and management models
- Many parallels to the Silicon Valley Model and some interesting differences
- 'Top-down vision' and top-down management
- Flexible and fast-moving through smaller independent businesses - 'federation structure'
  - Even more flexible and fast than SV firms
- Larger societal responsibility
- Competing globally for talent
- Ambidextrous and Scaling

## Ambidexterity in China

"Companies in China operate in two time frames, executing today's business while preparing to double in size in anywhere from three to five years. This involves not just adding resources but incubating new business models and launching new brands.

In the United States and Europe, the business unit head would normally handle both time frames, but Chinese founders usually appoint two managers, each autonomous and responsible for one time frame and, effectively, competing for resources."

(Hout and Michael, 2014)