

THE ART OF BUILDING INTRAPRENEURSHIP: MONSTER SUSHI CORPORATION CASE STUDY

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Executive summary: Intrapreneurship can save the hospitality industry from the new paradigm that Covid-19 has created in the hotel industry. This business model was already a present topic in the sector before the pandemic, but its benefits are now clearer than ever. This paper offers a case study based on Monster Sushi, a business based on the intrapreneurship notions and the findings appear strongly related to those concepts supported by previous literature around the topic. Therefore, some ground rules, practices and understandings can be extrapolated from this paper to other corporations interested in applying this model.

Keywords: Innovation, post-pandemic, Intrapreneurship, Hospitality, Business volatility

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1. Introduction

After the COVID-19 pandemic, the corporate world just confirmed that the notion of versatility is here to stay. This means that any business incapable of conducting change would be left behind (Yeong Ng, 2012). This new paradigm puts intrapreneurship into a main research focus. In essence, intrapreneurs are explorers. They are the ones able to reach new markets, find new partnerships (Altinay, 2004), lead to tangible benefits (George, 2021), improve the overall performance (Burg, 2015) and, fundamentally make a company change-proof. Therefore, it is worth investigating the tools to achieve employee engagement leading to intrapreneurship (Antoncic & Antoncic, 2011) and maintaining this spirit in the long run.

Even though no previous literature has demonstrated a correlation between intrapreneurship and corporate success (Felicio et al., 2012), when analysing real cases in or outside hospitality, which have applied this business strategy, it can be concluded that applying it is a clever choice.

With the collaboration of Fabiola Lairet, Monster Sushi CEO, a case study has been carried out with the aim of analysing the correct way to apply an intrapreneurship-based business model to the hospitality industry. This report will lead an example on how companies could apply intrapreneurship, which can be extrapolated to the hospitality sector.

2. Theoretical framework

The multidisciplinary concept of intrapreneurship does not have a single definition. Nonetheless, this practice, originated in the US, comes from the entrepreneurial concept which has a presence in some pillars of intrapreneurship such as the creation of new ventures, or the innovative processes in regards to products, services and procedures (Nicoladis & Kosta, 2011). According to Bosma et al. (2010), in 2010 intrapreneurs could be found in 5% of the workforce from companies who were located, especially, in higher-income countries. Nowadays, many innovation challenges are emerging involving topics such as customer service, technology, cost competence or culinary management (Abhishek, 2021). However, this is a volatile world where those who can not follow the pace are left behind (Yeong Ng, 2012), the real challenge now is not adapting to one of those changes, but adapting to the inevitable phenomenon of changing.

In order to bring the word "intrapreneur" to the table, it is first necessary to differentiate the intrapreneur himself from the intrapreneurship activity. An intrapreneur is an employee inside a company where his activity is not only limited to simply following instructions, but also to explore possible changes to the innovation of the business strategy and the necessary drive to communicate this idea and, if promising, to implement it. (Pinchot, 1978). Intrapreneurship, on the other hand, is understood as the process that an intrapreneur goes through. The advantage and main differentiating feature between an intrapreneur and an entrepreneur is that the first one does not work at the expense of their own capital keeping them far from personal risks. (Stevenson, et al., 2007)

According to Burg (2015), not ensuring employee's engagement in a company is like working at 33% potential. Indeed, an intrapreneur is not only a synonym for engagement but also the way to a better performance at business lines (Burg, 2015), revenue streams, productivity, turnover, shareholder returns and overall effectiveness (ADP Research Institute, 2012). Other existing literature points out that intrapreneurship can be highly decisive for business growth while also being dependent on employee satisfaction and innovative stimulation in the enterprise (Antoncic & Antoncic, 2011 and Eşitti & Özdemir, 2021). Nonetheless, the truly main aspect to take into account in regards to this is the fact that this work model is impossible without a proper environment: overall freedom to bring or test ideas and time to be creative (Mohedano-Suanes & Benítez, 2018). It has to be provided by the company, who will give its human talent the confidence to take risks and make mistakes in order to innovate. Thus, it is strongly related to organisational factors since the appliance of horizontal participation and resource enrichment leads to this type of behaviour as well as other benefits such as manager trust (Rigtering & Weitzel, 2013) or even better personal resources (Gawke & Gorgievski, 2017).

Finally, according to (George, 2021), there are four main reasons why intrapreneurship becomes an outstanding idea to implement: Firstly, this so-called "New Normal" needs innovation to survive. Secondly, intrapreneurs will always seek new opportunities and enhance strengths leading this to tangible benefits. Moreover, a firm achieving this business culture can retain and attract this sort of workforce and, finally, it is socially positive, especially for the new wealth creation (Antoncic & Antoncic, 2011).

On the one hand, just in the same way not every student needs the same method for reaching top marks, a good manager should be able to give intrapreneurs the keys to make the most of them. However, if traditional employees are taken and motivated with these ideas, only an attitude will be guaranteed. Systems and structures, including freedom and time to develop creativity (Mohedano-Suanes & Benítez, 2018), training methods and culture-building (Corbett, 2018) are crucial to developing the needed skills to stimulate innovation in employees (Bjornali et al., 2012). Furthermore, previous literature supports brainstorming, multidisciplinary teams, rotation and problem-based learning as the most effective methodologies to encourage and prepare the workforce while fostering organisational innovation (Doran & Ryan, 2017 and Bjornali et al., 2012). Also, it states that driving innovation efforts to a determined objective and assuring work recognition are the best strategies, since financial or else incentives do not have such a direct effect on innovative processes (Doran & Ryan, 2017 and Bjornali et al., 2012). Therefore, development programs should be a primary intention (ADP Research Institute, 2012).

On the other hand, a company should also focus on the presence of intrapreneurship in the firm's communication and on becoming outcome-based, especially in terms of performance and accountability (ADP Research Institute, 2012).

Intrapreneurship is a sustainable advantage towards other companies (Yeong Ng, 2012) which guarantees long lasting durability for the business (Mohedano-Suanes & Benítez, 2018). Nevertheless, the measurability of such qualitative aspect is too complex to become overconfident once there (Felicio et al., 2012) especially taking into account how this behaviour was affected by COVID-19 pandemic (Kılıç et al. (2021). From a general viewpoint, institutionalisation, shared responsibility and rewarded contributions will keep it

viable (Levit, 2013), while other practices such as to keep working on human skills' growth from management (Baruah & Ward, 2013) or even mixing it with entrepreneurship will help intrapreneurship stay and grow every day (Smith et al., 2016).

3. Methodology

In order to better understand intrapreneurship, a case study has been carried out of a real example which has successfully implemented this behaviour in a sustainable way, since it now comprises the main essence of the business.

3.1. Case study

Monster Sushi Corporation consists of three outlets and, despite being one of the first sushi restaurants in Barcelona, it is considered now one of the bests in the city. The company was founded in 2016 when, six years later, they saw an opportunity to grow and Robata, a bigger place with a greater variety of dishes to enjoy a better experience of Japanese gastronomy, was created. During the next few years, food delivery seemed a huge opportunity and a third specialized outlet was created to fulfill this emerging demand of dining at home: Monster Sushi Delivery. Indeed, one of the reasons the enterprise has made it so far is due to their ability to mix tradition and innovation while respecting the values of the Japanese gastronomy.

This company growth becomes especially interesting when considering that they started implementing all these notions related to intrapreneurship from the beginning. Fabiola Lairer, the owner, explains that it all started out of a necessity. She started working in kitchens in her mid-40s, the job was physically demanding and, since Fabiola had two young daughters to take care of, she had to let go and let others take over from her. However, and despite she did not realise about this by that time, that very moment was when intrapreneurship started to take a place in Monster Sushi.

As a civil engineer, Fabiola tried to organize the kitchen from a more logistic perspective and set down a specific frame to work in. Firstly, the gastronomic menu was created and, from there, the processes were born. Monster Sushi Corporation is described as a resilient business with four strategies to back it up: humanizing kitchen operations, the cultivation of a culture allowing individuals and teams to self-manage, establishing and maintaining the restaurant's unique DNA and, finally, process and resources optimization.

Therefore, by "humanizing kitchen operations" they are actually creating an environment of respect, trust and the perfect sense of belonging to breed ground for intrapreneurship. Human talent is allowed to operate as they wish as long as they honour the main two sacred aspects: the gastronomic menu and the quality standards.

Furthermore, Monster Sushi has something unique for a restaurant business; low employee rotation. Indeed, the newest employee joined them four years ago. The firm achieved this by looking for a specific profile when selecting personnel; people with willingness to learn and stay. Without even noticing, they were hiring potential intrapreneurs, allowing them to create the previously mentioned self-managing culture. This way, employees who are invested in

the project can feel belonging towards this 'family', comprising that unique DNA which can be found in everyone at the Monster Sushi team.

As a result, Fabiola Lairer is proud when states that finding the connection between making money , which is any business main goal, and the love that goes into a project is the most important. Indeed, this formula is what provides processes and resources optimizations to come in.

4. Results and discussion

Never before science has been able to truly prove the factor of implementing intrapreneurship and give exact results that a company can profit from. Because of that, we wanted to know if Monster Sushi increased their economic output due to Intrapreneurship. It is difficult to say whether the money generated by the company is higher now than in the past since they have never worked following a different business model. In the case of Monster Sushi, intrapreneurship is not necessarily about the money, but about corporate culture and quality service. Employees, or better known as "the team", are especially important in this case study. Nothing is of higher value than the careful selection of workers. The candidates should bring motivation, training and skills. However, Monster Sushi believes that even a new employee with little experience, but with a lot of motivation and skill, can quickly rise inside of the company and work his way up. The model is based on rotating the workers within the company in different positions to give them the chance to discover their talents and improve them.

Furthermore, one of the main concerns of this paper is to find out what are the positive outputs that this activity brings. The CEO of Monster Sushi speaks of a success story. In the end, the company was so successful that seven investors bought it. To this day, the management of the kitchen and therefore also of the staff is under the founders authority. A big step for the enterprise, which was only possible due to the application of Intrapreneurship, was the expansion of the business. In this process, it was very important to maintain the company's standards and management strategy.

We already know that in order to run a company successfully you need commitment and background knowledge about management methods. But which are those? According to Monster Sushi it is particularly important to motivate employees in their work. If this motivation is missing, intrapreneurship cannot work. There are different ways to do this. First of all, employees simply need the space and atmosphere to give free rein to their creativity. But this needs mutual commitment, because the more freedom an employee is given, the more flexible the management has to be. Workers should be rewarded for a job well done. In the specific case of Monster Sushi, such rewards can be of various kinds, such as a joint toast to the successful teamwork, or a pizza day, or even a promotion gift from the company, a handmade japanese knife. This argument is also logical, if we think of Maslow's pyramid of needs. Maslow speaks of different stages that lead to self-actualization and full satisfaction. He also recognizes the need for recognition. (Maslow, 1943).

The successful introduction of a new business model is first demonstrated by the results it achieves. So how can we measure and understand them? Monster Sushi measures the success of the business strategy not only by the revenue generated but also by employee

satisfaction. It can be clearly seen in the fact that no new employees have been contracted in the last 4 years. This is only possible because there is a very strong cohesion among the employees and the management of the company.

This paper revolves around the question if intrapreneurship can be a useful tool in overcoming the negative impacts of Covid-19 on the hospitality industry. We want to prove that, when properly introduced and applied, intrapreneurship can reinvent and maintain the business sector's DNA. Monster Sushi and the way it works apart from others, especially in terms of intrapreneurship, determine 2 key aspects: resilience and the connection between making money and the love put into the project. Monster Sushi makes us understand once again how important a good team and the atmosphere within the company is. In order to achieve this, the enterprise sees outsourcing with the help of intrapreneurship as the key to a well-functioning company. Examples of functions to be externalized are financial advising and human resources management: these aspects can distract the management of a company from being involved and being part of the soul of the business. Following this advice and experience of Monster Sushi, intrapreneurship can be part of the solution regarding the nearly revealed challenges due to Covid-19.

5. Conclusions

With this case study, we have learnt that in order to successfully implement intrapreneurship in a company it is necessary to create specific conditions inside the business. It is clear that a single example cannot provide a general guide for the introduction of intrapreneurship in an enterprise. At the very least, it cannot work in every case. The number of companies and their internal and external circumstances are far too different for that.

What is common in every single enterprise is the human capital. In Monster Sushi, they have been able to create a fully involved and engaged team. There is a “love” and “family” connection between each member of the team and the company. They have achieved this by using different techniques such as multidisciplinary teams, respect rituals, rotation, access to growth opportunities within the company and non monetary incentives that can help motivate and spark the sense of belonging. From this we can conclude that the workforce is the main partner for achieving successful and sustainable intrapreneurship.

When it comes to proposing future lines of research, it would be worth finding measurability tools in order to assess the correlation between intrapreneurship implementation and overall company success, as to determine the level of benefits that this business strategy brings to a corporation. Furthermore, there is no literature focusing research on the optimisation of the hospitality industry in terms of applying intrapreneurship. Therefore, this last could be developed towards some aspects such as training tools, time schedules or finance strategies which permit the employees to have an environment to be creative and raise innovative behaviours.

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