

CORPORATE STARTUPS AS A TOOL FOR INTERNAL VENTURE INVESTMENT IN IT: IMPACT ON STRATEGIC SUSTAINABILITY AND INNOVATIVE TRANSFORMATION OF AN ENTERPRISE

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Abstract: *this article explores the function of corporate startups as instruments of internal venture investment in the IT sector. It evaluates their effectiveness in promoting strategic sustainability and fostering innovative transformation within enterprises. Drawing on multiple case studies including Google X, SAP.iO, Microsoft Garage, and SberUnity, the article identifies organizational conditions and managerial strategies that allow corporate startups to thrive. The findings demonstrate that internal venture initiatives contribute to agility, support long-term competitiveness, and act as a conduit for developing radical innovation within controlled risk environments.*

Keywords: *Corporate startups, internal venture capital, strategic sustainability, innovation management, digital transformation, IT enterprises, intrapreneurship, organizational agility, dynamic capabilities.*

КОРПОРАТИВНЫЕ СТАРТАПЫ КАК ИНСТРУМЕНТ ВНУТРЕННЕГО ВЕНЧУРНОГО ИНВЕСТИРОВАНИЯ В СФЕРЕ ИНФОРМАЦИОННЫХ ТЕХНОЛОГИЙ: ВЛИЯНИЕ НА СТРАТЕГИЧЕСКУЮ УСТОЙЧИВОСТЬ И ИННОВАЦИОННУЮ ТРАНСФОРМАЦИЮ ПРЕДПРИЯТИЯ

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Аннотация: *в этой статье рассматривается функция корпоративных стартапов как инструментов внутреннего венчурного инвестирования в ИТ-секторе. Она оценивает их эффективность в содействии стратегической устойчивости и содействии инновационной трансформации на предприятиях. Опираясь на многочисленные тематические исследования, включая Google X, SAP.iO, Microsoft Garage и SberUnity, статья определяет организационные условия и управленческие стратегии, которые позволяют корпоративным стартапам процветать. Результаты показывают, что внутренние венчурные инициативы способствуют организационной гибкости, поддерживают долгосрочную конкурентоспособность и выступают в качестве канала для разработки радикальных инноваций в контролируемых средах риска.*

Ключевые слова: *корпоративные стартапы, внутренний венчурный капитал, стратегическая устойчивость, управление инновациями, цифровая трансформация, ИТ-предприятия, внутрифирменное предпринимательство, организационная гибкость, динамические возможности.*

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1. Introduction

In the dynamic landscape of the IT industry, innovation is not a choice but a necessity. As companies face the imperative to adapt to digital disruption, evolving customer demands, and rapidly shifting technological frontiers, traditional R&D methods often fall short. In response, firms are increasingly embracing internal venture mechanisms such as corporate startups—autonomous, entrepreneurial units within a company that function similarly to external startups but are seeded, funded, and supported by the parent organization [3-4].

Corporate startups are distinct from conventional innovation units due to their dual orientation: they operate with the agility and risk appetite of startups while leveraging the assets, markets, and strategic guidance of their corporate parent [6]. As such, they constitute a hybrid organizational form, designed to circumvent the inertia and rigidity of established processes.

This article investigates how corporate startups serve as effective tools for internal venture investment, and how they influence two critical performance dimensions of an IT enterprise: strategic sustainability and innovative transformation. Strategic sustainability is understood not only as environmental or social responsibility but as an enterprise's capacity to remain viable, competitive, and adaptive over time. Innovative transformation refers to structural changes in organizational capabilities and culture enabled through new product and technology development.

2. Methodology

This study employs a qualitative, multiple case study methodology to examine how corporate startups function as internal venture investment tools and how they influence enterprise sustainability and innovation transformation. The chosen method enables in-depth, context-rich insights into organizational strategies, structures, and outcomes associated with internal startups.

Four corporate startup programs were selected:

1. Google X (Alphabet Inc.) [10]
2. SAP.iO (SAP SE) [5]
3. Microsoft Garage [9]
4. SberUnity (Sberbank) [6]

A cross-case synthesis was used to compare patterns across cases. Data sources included academic literature, corporate documents, and innovation metrics. Theoretical framing draws on the concepts of ambidexterity [8], open innovation [2], and dynamic capabilities [10].

3. Case Analysis

3.1. Google X

Google X functions as a "moonshot factory" focused on radical innovation, with ventures like Waymo and Loon [10]. It operates autonomously and tolerates high failure rates, aligning with dynamic capabilities theory [10].

3.2. SAP.iO

SAP.iO integrates internal and external startups, emphasizing product alignment with SAP platforms [5]. It exemplifies strategic sustainability through structured support and integration pathways.

3.3. Microsoft Garage

Garage supports employee-driven projects like Eye Control and Seeing AI [9]. Its grassroots model fosters a culture of intrapreneurship and experimentation.

3.4. SberUnity

As part of Sberbank's digital transformation, SberUnity supports internal innovation through hackathons and MVP funding [6]. It illustrates how even legacy institutions can adopt agile innovation strategies.

4. Discussion

Corporate startups function as platforms for strategic experimentation [3], enhance cultural agility [9], and must be integrated into corporate ecosystems to avoid becoming isolated [2], [5]. Balancing autonomy and governance is critical [4], [10]. These initiatives support strategic sustainability by enabling organizational renewal and digital competitiveness [1], [6].

5. Conclusion

Corporate startups, when strategically supported, enable both cultural and structural transformation in IT enterprises. They help firms build ambidextrous capabilities, foster employee engagement, and drive long-term value.

Recommendations:

- Build diverse internal venture portfolios
- Foster intrapreneurship through autonomy and recognition
- Align internal startups with ESG and digital priorities

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