Introduction

Robotdalen - a Swedish robotics initiative with the goal to enable commercial success of new ideas and research - can be defined as a small entrepreneurial hybrid organization (cf. Thomasson, 2009) that includes private and public organizations (Holmgren Caicedo & Mårtensson). Almost a decade after its creation, Robotdalen is faced with new challenges such as the need to balance between the entrepreneurial features that hitherto characterized the organization and the increasingly established and structured governance work practices, routines and procedures. Trying to create this balance has been found, both in research and in practice, to be a major challenge and there has been several calls for research (Ireland & Webb 2007; Kuratko & Audresch 2009; Schindehutte & Morris 2009; Kyrgidou & Hughes 2010; Luke et al. 2011; Foss & Lyngsie 2012). There is also a lack of empirical contributions and studies on public organizations in a context of governance, entrepreneurship and strategic matters (Klein et al., 2013). A quite new concept to deal with this kind of matters is strategic entrepreneurship.

Strategic entrepreneurship is expressed by several scholars (see e.g. Kuratko & Audresch, 2009; Schindehutte & Morris, 2009; Kyrgidou & Hughes, 2010; Luke et al., 2011; Foss & Lyngsie, 2012) as the most recent contribution to entrepreneurship research in established organizations’. Hence, strategic entrepreneurship as a concept started to manifest itself at the beginning of 2000 and has been growing.
steadily since (see e.g. Hitt et al., 2001, 2002; Kuratko & Audretsch, 2009; Kyrgidou & Huges, 2010; Luke et al., 2011; Foss & Lyngsie, 2012). The concept is strongly influenced by management through theories about entrepreneurship in established organizations, e.g. corporate entrepreneurship (Hjorth, 2004), but also strategic management (Hitt et al., 2001, 2002; Kuratko & Audretsch, 2009; Kyrgidou & Huges, 2010). Hjorth (2004) stresses that this kind of managerial form of entrepreneurship, and its attractiveness to managers lies in joining economics and behaviorism in the name of an enterprise, promising speed, flexibility and innovativeness. These are all aspects that are incorporated by the strategic entrepreneurship literature and reoccurring arguments for engaging in strategic entrepreneurship practices (see e.g. Hitt et al., 2002; Ireland & Webb, 2007; Kuratko & Audresch, 2009; Luke et al., 2011). It is a practice that several scholars have pointed out to be a key differentiator regarding organizations’ ability to compete in markets characterized by uncertainties and rapid changes (Hitt et al., 2001; Ireland & Webb, 2007; Kyrgidou & Huges, 2010; Luke et al., 2011). As such, scholars argue that this practice is of importance to both practitioners and policy-makers (Luke et al., 2011), as well as the private (Ireland & Webb, 2007; Kyrgidou & Huges, 2010; Luke et al., 2011) and the public sector (Klein et al., 2013).

The interest for public governance has also been growing rapidly for the last decade both as an academic research field as well as in practice leading to a lot of work has been published in the area with a consequence of disparate views has emerged regarding to what it is. However, Cepiku (2013) did a literature review on public governance where she looked at the different use of the concept but also what similarities that could be found. In Europe a common ground was to link governance to administration reforms, and thus with change. Cepiku (2013) state that while such an approach have the advantage of being dynamic, they intend to undervalue order, stability and predictability which is also important for the concept of governance. As such strategic entrepreneurship practices would be interesting to study in relation to governance as it include both the strategic aspect of trying to balance stability and predictability with the entrepreneurial aspect of dynamics and change. To apply the concept of governance with strategic entrepreneurship is not new (c.f. Audretsch et al., 2009), but there are few that has done it in a context of public organizations (Kline et al., 2013).

In this paper we ask: How is Robotdalen governed in order to on the one hand create order, structure, predictability and sustainability, while on the other being dynamic and changeable? In this context the governance function of the board becomes important both as the maintainer of what is working in the organization, but also as a developer that renew the organization for future challenges. Therefore, we intend to highlight the performance of governance structures, board tasks, its function and its role in a context of public organization were it so far has been little research done (cf. Cornforth, 2003; Gnan et al., 2013a; Gnan et al. 2013b). Also, Gnan et al. (2013b) has made a call for more research regarding understanding the role of the board in innovation of public organizations. In this context a perspective of strategic entrepreneurship could be helpful. Thus strategic entrepreneurship practices are supposed to create a stream of innovation in organizations (Ireland & Webb, 2007). In other words, we intend to meet these calls by contributing to the theoretical field of entrepreneurship in established organizations by the concept of
strategic entrepreneurship and the field of public management governance by the study of board tasks, its function and its role.

We will continue this paper by first addressing the methods used, then turning to discuss strategic entrepreneurship in relation to public organizations by a short presentation of the concept of strategic entrepreneurship and what has been previously done in public sector regarding strategy and entrepreneurship. Then we move along by suggesting that strategic entrepreneurship could be away to understand governing board in the public sector. Thereafter we discuss the case of Robotdalen from a strategic entrepreneurship perspective, and then turn to describing how the process of a new board emerged. Last we make some concluding discussions.

**Methods**

We have used Robotdalen as a descriptive case of how an small entrepreneurial hybrid organization over the years has struggled to create their own strategic entrepreneurship practices as a way to deal with bureaucratic and governing structures, but at the same time being dynamic, changeable and leveraging on innovation to manage the organization towards its success. During recent years part of this strategic entrepreneurship practices has been to renew the role and function of the board as a way to better meet future challenges and changes in the environment.

Most of the previous research in strategy (Johnson et al., 2003) and strategic entrepreneurship has been made on large organizations in the private sector and has left out the doings of people (Höglund, 2013), the situation is similar when it comes to the study of governance and board tasks, the role and function of the board the situation. Hence, the methods used are mainly based on large surveys. As Yar Hamidi and Gabrielsson (2012) shows in their review of 127 published papers, most published studies have focused on CEO duality in large publicly listed US-firms by using quantitative analysis of archival data. These surveys is also mostly conducted by mainly including CEO and/or the chairman. This means that qualitative studies and methods such as interviews rarely are used as a mean to generate empirical material (cf. Yar Hamidi & Gabrielsson, 2012). In this paper we have used a narrative method in order to generate empirical material by letting the interviewed people narrate the meanings that they ascribe to their own and others’ doings in the context of the prevailing values, practices, multiple perceptions and underlying structures (cf. Fletcher, 2006). To gain an understanding of the nature of the values in an organization requires methods that allow research participants to talk about their experiences and what they mean to them (Gartner et al. 1992). Accordingly we employed an interpretive approach based upon a qualitative research methodology. This approach is well suited to acquire knowledge about human phenomena, thus in seeing the social world as being created in and through the meanings that people use to make sense of the world.

Empirical material in Robotdalen has been generated since 2009 and consists of 22 interviews, several informal meetings, participant observations at meetings and document studies. Interviews has been conducted with board members including the chairman of the board, regional representatives, people representing financing bodies, several members of the operational management team within Robotdalen
including e.g. the general manager, the internationalization manager, the innovation manager, each of the managers of the three core areas and the controller. The empirical material regarding the emergence of the board was, however, mainly generated during late 2012 to the beginning of 2014. Nine of the interviews have specifically targeted the issue of renewing the board. The interviews have been characterized by being more of conversations between the interviewer and the interviewee, with a duration of 60-120 min, and all the interviews have been recorded and transcribed verbatim. We have also specifically attended to one of the board meetings as observers but also as participants in giving a presentation regarding the role and function of the board from a theoretical perspective.

In addition to the interviews several recurring meetings, which has been characterized by being very open and informal, has been held with the general manager and the vice general manager. During those meetings several aspects has been discussed. The general manager has often started those meetings giving us an updated status report regarding the latest news and developments within Robotdalen. For us as researchers those discussions have been invaluable as a mean to get closer to the empirical setting by understanding the difficulties and special prerequisites for board task work from a strategic entrepreneurship perspective within a collaboration project. Between the meetings the general manager has also regularly sent us information of different kinds, e.g. press releases, extracts of e-mail conversations, power-point presentations, agendas for meetings where board or strategic issues has been highlighted and more generally news about Robotdalen.

Public organizations, strategic entrepreneurship and governing boards

In strategic management literature on public organizations (cf. Lane, 2008; Lane & Wallis, 2009; Poister, 2009; Boyone & Walker, 2010; Walker et al., 2010), there is a small but growing research field that has for the past decade highlighted the importance of strategy and strategic thinking in public organizations (see e.g. Joyce, 2004; Lane, 2008; Lane & Wallis, 2009; Walker m.fl., 2010; Poister, 2009; Boyne & Walker, 2010; Andrews & Van de Walle, 2012). For example, Poister (2010) concludes that if public organizations are to anticipate new problems and challenges, responding to them effectively and at least to some degree charting their own path toward the future, they need to think and act strategically and have the ability to control the outcome. In this context, research, as well as results from practice, shows that entrepreneurship can be a significant importance in public organizations to enhance the performance and add different aspects of value (see eg Bartlett and Dibben, 2002; Albury, 2005; Moore, 2005; Kinder, 2012; Andrews and Van de Walle, 2013). Thus, public and non-profit organizations are increasingly confronted with a need to innovate in order to create different aspects of wealth. The literature on public organizations show an enhanced pressure to not only produce better public value e.g. by the delivery of new products and services (c.f. Lane, 2008, Boyne & Walker, 2010; Osborne, 2010; Gnan et al., 2013b), but also to become more effective (c.f. Moore, 2005; Verschure & Beddeleem, 2013). In order to do so it becomes important to be able to manage different aspects of innovation. This is often done with the help of techniques and tools from the private sector, which Verschure and Beddeleem (2013) argue is not always easy to implement in a context of the
public that often has other performance measure then the private where different aspects of growth and profitability are central.

Performance measures are important in public organizations, thus they are expected to achieve high standards regarding several dimensions of performance to meet public needs and desires (see e.g. Lane and Wallis, 2009; Boyone and Walker, 2010; Svärdsten Nyman, 2012). A problem though is that scholars tend to only point out the importance of measuring performance without addressing the content or what could be measured. Plant (2009) and Poister (2010) argue that productivity and performance measures of public organizations is, nevertheless, elusive because the value of public inputs and outputs is difficult to assess quickly, quantitatively, and objectively. One of the few studies that suggests performance measures are Lane (2008) who discuss that one way to create value for public organizations is to focus on the delivery of products and services e.g. number of services and products produced, quality of service, satisfaction with service, distribution of services and unit costs. Since most public organizations, also supplies products and services without charge, since they are funded by taxpayers, Lane (2008) states that this type of measure is important to get any information about what value they produce to the end user. Various performance measurements also give an indication of where improvement needs to be done. Klein et al. (2013) argue that insights, tools, and theoretical relationships established in the fields of strategic entrepreneurship could be helpful in the study of public organizations and their performance.

A large part of the strategic entrepreneurship literature has its foundation in strategic management and focus on combining aspects of entrepreneurship and strategy (Hitt et al., 2001; Ireland & Webb, 2007; Schindehutte & Morris, 2009; Kyrgidou & Hughes, 2010; Höglund, 2013). Both research areas are concerned with performance aspects of competitiveness, growth and wealth creation (Hitt et al., 2001; Ireland, et al., 2003) but their foci differ slightly. The work of Hitt et al. (2001; 2002), Ireland et al. (2003), Ireland and Webb (2007), Kuratko (2007), and Kuratko and Audretch (2009) among others, suggests that strategic entrepreneurship focuses on how organizations renew and create change (adapt or are proactive) by exploiting opportunities. Organizations therefore create wealth (e.g. growth and profitability) by exploring opportunities in their internal or external environment and then developing competitive advantages to exploit these opportunities (c.f. Hitt et al. 2001). Thus strategic entrepreneurship can be seen as entrepreneurial action with a strategic perspective (Hitt et al., 2001; 2002).

Ireland and Webb (2007) argue that strategic entrepreneurship practices include the ability to balance between strategic and entrepreneurial activities and processes. In order to understand strategic entrepreneurship as a balancing act, they stress the importance of defining the terms of strategy and entrepreneurship. In line with the thoughts of Hofer and Schendel (1978), they argue that strategy is about a organization’s long-term development including, for example, decisions regarding scope, how resources are to be acquired and managed and intended sources of competitive advantage. Entrepreneurship is, rather, concerned with actions taken to create newness, for example by the creation of new organizational units or organizations, or the renewal of existing ones. Entrepreneurship in strategic entrepreneurship literature is
therefore closely connected to innovation. There are many different views on what can be considered as innovation or not and the literature in general have debated this for decades. However, in strategic entrepreneurship innovation\(^1\) is more or less the same as different aspects of renewal (Höglund, 2011).

Kuratko and Audretsch (2009) discuss two possible reference points involving innovation that can be considered when an organization exhibits strategic entrepreneurship practices: (1) how much the organization is transforming itself relative to where it was before (e.g. transforming its products, markets, internal processes, etc.), and (2) how much the organization is transforming itself relative to industry conventions or standards (again in terms of product offerings, market definitions, internal processes, etc). Furthermore, in this context it is possible to envision at least five forms of strategic entrepreneurship (Morris et al., 2008; Kuratko & Audretsch, 2009). The five forms are sustained regeneration, organizational rejuvenation, domain redefinition, strategic renewal and business model reconstruction.

In this paper we focus on organizational rejuvenation, more precisely the renewal of the board - its structure, work task, role and function at Robotdalen- as innovation and an outcome of strategic entrepreneurship practices. But also how the board could be an enabler of strategic entrepreneurship practices and as such an enabler of innovation by balancing between strategic and entrepreneurial processes. In the strategic entrepreneurship literature organizational rejuvenation occurs when organizations alter internal processes, structures and/or capabilities in order to improve their competitive standpoint (Covin & Miles, 1999). It involves changes in existing activities, mostly supporting activities such as process and administrative innovations rather than product innovation (Högland, 2011). Dess et al. (2003) stress that organizational innovation shows that organizations can become more entrepreneurial through processes and structures. Morris et al. (2008) argue that this strategic entrepreneurship practice focus or enactment of a major internally focused innovation aimed at improving strategy implementation. The role and function of the board in strategic matters have been shown in previous research to be important and we will elaborate more on this in the next section of the paper.

**Governing boards - a brief literature review**

As this paper take its starting point in a smaller public organization we will mainly look at the tasks, role and function of the board in this kind of setting. Research on boards in general has received substantially attention in the past decade (Minichilli & Hansen 2007), but most of previous research are concerned with larger organizations in the private sector. There is, however, a growing field of research on smaller organizations that shows they, as well as larger organizations, experience extended pressure to set up active boards that contributing to different aspects of value for the organization in mind (see e.g. Minichilli & Hansen, 2007; Hause et al., 2008; Charas & Perelli, 2013). As Gabrielsson (2007) argue, it is widely

\(^1\) The Oxford English Dictionary includes the following possible interpretations of the words innovate and innovation:

**Innovate(verb)** - To change (a thing) into something new; to alter; to renew.

**Innovation (Noun)** - The action of innovating; the introduction of novelties; the alteration of what is established by the introduction of new elements or forms.
recognized that small and medium-sized organizations must increasingly become more entrepreneurially as to survive and meet the dynamics of change in an uncertain competitive environment. Moreover, that we need to further develop our knowledge of how board governance can support smaller organizations ability to innovate and grow. Similar, Gnan et al. (2013b) argue that we further need to understand how board governance in public organizations can support innovation.

Research on the interplay between management and the board is focused on the relationship between strategy and operation, both of which are essential for the development and successful performance. A growing body of research suggests that a strong and active board of directors can have a significant positive influence on the value-creating potential of smaller organizations by favoring change and innovation in strategic decision-making (Huse, 2000). Huse (2000) state that research into board is dominated by a tradition in which board composition is related to organizational performance. Board task involvement refers to the extent to which the board as a group is involved in these tasks (Huse, 2005) and theory shows that the involvement of the board may directly be related to value creation (Huse, 2007). Generally there is a tradition in research on boards of directors to relate board demographic measures directly to organizational performance, and a frequently used proxy for boards’ ability to perform the control task effectively is the number of directors on the board and the representation of non-executive directors (cf. Gabrielsson, 2007). In a study of smaller organizations Gabrielsson (2007), nevertheless, found no association between the number of directors on the board and the CEO’s commitment to entrepreneurial posture, the same results was shown regarding the representation of non-executive directors and CEO’s commitment to entrepreneurial posture.

In opposition to the mainstream board demography approach stands a small but growing number of scholars who argue for the need of a behavioral approach in studies of boards and governance (see e.g. Huse, 2005; Gabrielsson, 2007; Gnan et al. 2013b). According to Huse (2005) scholars in the behavioral approach strongly argue for the need to directly study boards’ ability to perform board tasks effectively, in order to better understand board-performance relationships. For example, Gabrielsson (2007) found empirical results indicating that boards’ actual involvement in decision control is positively associated with entrepreneurial posture in smaller organizations. The board exerts a continues process of formal and informal influences and there is a common assumption, within this perspective, that boards should be active in strategy content and process. According to Gnan et al. (2013b) this level of strategy includes that the board applying a proactive strategic thinking, rather than a reactive, characterized with a long term thinking.

Minichilli and Hansen (2007) argue that the boards’ competences in small organizations are more relevant than the formal side of governance structures. Interestingly they also found that board is more than its composition and structure with respect to tasks performance. Thus, the knowledge of the organization and its core products and markets, and the way this knowledge is distributed and used in the boardroom has a predictive power on the tasks involvement of the board itself. Moreover, Minichilli and Hansen (2007) state that this moves us further in the understanding of the composition and structure of the board, which should
take into careful account the understanding of organizational characteristics, the mix of competences and backgrounds in the board, and the need to create a stimulating working style and environment. As such, they argue that this highlights the issue of selection of board members as a prominent issue in the governance practice also in the context of small organizations. It is within this area we are going to go deeper into in this paper by the study of how a new board emerges in a small public organization acting in a complex inter-organizational context of both public and private. Moreover, in strategic management as well as in strategic entrepreneurship the emergent process view is seldom used (Höglund, 2013).

The structure of the board and its composition regarding board task performance, board roles and functions have been categorized in various ways (Hause, 2000) and different board tasks have been argued to have value creating contributions (Johnson et al., 1996; Huse, 2005). This as a result of scholars have used a lot of different theoretical perspectives in order to understand board tasks, its function and role e.g. agency theory, stakeholder theory, resource dependency theory, stewardship theory and a democratic perspective (cf. Cornforth, 2003).

Agency theory could be seen as dominant and focus upon the boards role to control managers, with the function to protect the interest of the owners (cf. Hung, 1998; Cornforth, 2003; Hause et al., 2008; Gnan et al., 2013b). Similar, stakeholder theory also argue the role of the board is to control managers, but also to coordinate stakeholders, thus the function of the board is to protect the interest of stakeholders (cf. Hung, 1998; Conforth, 2003; Gnan, 2013b). The second most dominant is resource dependency theory that take the view of the board's role as to work together with top-managers to strategically manage the organization, with the function of acting as a link between the organization and the external environment (Hung, 1998; Cornforth, 2003; Minichilli et al., 2009). Stewardship theory also focus on the board's role as working together with management to add value to the organization, but with the function to provide service in strategic matters (cf. Hung, 1998; Cornforth, 2003). Last we have the democratic perspective were the role of the board is to protect democracy - "one member - one vote" – with the function to negotiate a broad compromise between different views and groups in the organization (Cornforth, 2003). In sum, from the discussion so far, and the literature review made for this paper, it is possible to state that there is two main board tasks of *control* and *service* discussed in previous literature (cf. Minichilli et al., 2009): 1) the board as a tool for principals/owners/stakeholders to *control* the organization or 2) the board should in different ways assist and give *service* to the organization i.e. becomes a tool for resource acquisition, strategy development and contact with the outside world.

According to Castro et al. (2009) the most recent studies about boards have adopted a multitheory perspective, as scholars have become aware that the active role of this government mechanism entails multiple tasks. Moreover that this implies an explicit recognition of the board’s processes that take place within the board influence the outcomes. As Hung (1998) argue, since board involvement is such a complex phenomenon it is commonly suspected that no single theoretical perspective could adequately capture the entire process. Moreover, he thinks it is important to acknowledge that a board can have multiple roles e.g.
a controlling role with the function to protect the owner’s interest, as well as working together with management to develop innovative strategies and contributing to resource acquisition. Similar, Cornforth argue (2003) that there is a need to take on a multi-paradigm perspective that focus on paradoxes, ambiguities and tensions involved in governance.

Instead of categorizing board task in control and service as Minichilli et al. (2009), Cornforth (2003) discuss it in terms of conformance and performance, were conformance is very close to the task and function of controlling and performance with service. Thus, he state that the conformance role demands a careful monitoring and scrutiny of the organizations past performance and is risk-averse. While the performance role demands forward vision, an understanding of the organization and its environment and probably need a greater willingness to take risks. As Cornforth (2003:14) put it “boards face a tension concerning how much attention they should pay to these contrasting roles and how to balance the different demands on them”. From a strategic entrepreneurship perspective the conformance role is very closely related to the strategy aspect and the performance role with entrepreneurship. As earlier stressed strategic entrepreneurship practices is concerned with the balancing act of strategic- and entrepreneurial activities and processes which makes strategic entrepreneurship an interesting alternative to previous research in the study of board task, its role and function. With a strategic entrepreneurship perspective, we might not be able to capture the whole process. Nevertheless, strategic entrepreneurship have the advantage to help us to explore and further understand how both service/performance and control/conformance could be of importance in boards and how to balance between these sometimes contradicting work tasks. There has also been a call for applying new perspectives in research on governing board (see e.g. Yar Hamid & Gabrielsson, 2012).

To sum it up, in this paper we take on a micro perspective of governance, what Cepiku (2013:20) defines as outward-oriented public management where the strategic steering role includes problem-solving and stakeholder involvement capacities. More precisely we take an interest in the governance of board tasks, its role and function in public organizations. Where the governance aspect involves structures, systems and processes concerned with ensuring the overall direction, control and accountability of an organization (cf. Verschuere & Beddeleem, 2013). Strategic entrepreneurship literature shows the importance of creating structures and routines in an organization that supports strategic entrepreneurship practices and the ability to continuously renew the organization through different aspects of innovation (Covin & Miles, 1999; Ireland & Webb, 2003; 2007; Morris et al., 2008). In this context the work tasks, role and function of the board becomes important to study both as the maintainer of what is working in an organization (a strategic aspect), but also as a developer that renews the organization for future challenges (an entrepreneurial aspect).

The case of Robotdalen

In this section we are going to present the case of Robotdalen and from a strategic entrepreneurship perspective analyze the case. We start by giving a short presentation of Robotdalen, then move along to discuss how Robotdalen is structured and organized, as the theoretical discussion in this paper has shown
that structure and organization are of importance to be able to balance between strategy and entrepreneurship. We also address Robotdalen from a performance perspective as it is a central aspect in strategic entrepreneurship. Last we discuss how the renewal of the board took place. As already stated, renewal of the board can be seen as an outcome of a strategic entrepreneurship practice and as such an organizational rejuvenation based on innovation.

In short, Robotdalen started formally in 2003 and is a collaboration project between the two regional universities (Mälardalen University and Örebro University), a number of global enterprises e.g. ABB, Volvo, Atlas Copco and ESAB, a greater number of SMEs, several municipalities, regional and local governments and hospitals. Robotdalen is situated in a Swedish region called Mälardalen, which covers three counties and several municipalities, and hosted by one of the regional universities, Mälardalen University. Although it started as a regional initiative Robotdalen has grown to become a project with far fetching national and international visions and ambitions. It is now financed, among others, by the Swedish Governmental Agency for Innovation Systems (10 MSEK/year), the EU regional development fund (6 MSEK/year), regional municipalities and counties (7 MSEK/year) and industry representatives (5 MSEK/year). The total yearly turnover is almost 30 MSEK/year.

It is possible to state that Robotdalen as an organization emerged as a result of a call were there has been large investments on development and research projects in a regional context to enhance the innovative capability of Sweden and create a competitive environment (Holmgren Caicedo & Mårtensson, 2012). This call was made in 2001, by the Swedish Governmental Agency for Innovation Systems, an agency that invests in research in order to “strengthen Sweden’s innovative capacity for competitiveness, sustainable development and growth” (The Swedish Governmental Agency for Innovation Systems, 2012). The call, from VINNVÄXT - Regional growth through dynamic innovation systems, “aims to promote sustainable development in regions by developing internationally competitive research and innovation environments within specific growth fields”. Robotdalen was one of the first to receive founding for ten years, 2003-2013. This founding have been renewed until the year of 2019, but this time with the condition that Robotdalen need to increase their founding from other actors, thus in the long run become self-sufficient, as such the founding will decrease for each year with start in year 2015. That the founding will decrease have been expressed as an important factor for future strategic direction of Robotdalen (internal documents). Thus, it has forced them to once again start thinking in new ways in order to renew the organization and different aspects of its structure e.g. the governing board which we will come back to. But, before we do so we need to understand the structure and organization of Robotdalen.

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2 Mälardalen University was founded in 1977 as a regional university of technology and over time it has developed into a broad academy. The total number of students at Mälardalen University is approximately 13,000 and the total number of employees is nearly 1,000. An important guiding principle for Mälardalen University is the close relationship to the surrounding society. The importance of co-operation with the surrounding society is stressed, not only in management rhetoric but also in the strategy of the university (Mälardalen University 2009; 2012). The cooperative culture has been characterizing the university all the way from the establishment of the university till today (Johanson & Mårtensson 2011).

3 30 MSEK was in June 2012 equivalent to 3,3 M€
Structure and organization

When it comes to structure, Morris et al. (2008) stress that to support entrepreneurship, organizations need an organizational structure characterized by decentralized authority, semi-standardized procedures, and semi-formalized processes. On the other hand, to semi-standardize and semi-formalize some of the decision-rules used for guiding entrepreneurship creates routines of knowledge search that have the potential to reduce the amount of financial and human capital that is inappropriately used or wasted (Ireland & Webb, 2007). From a legal, as well as from a formal, point of view Robotdalen is hosted by, and thus a part of, Mälardalen University. In practice, however, Robotdalen is a hybrid organization with many owners “where the owners decide whether we should exist or not” (Internal document). Robotdalen is thus both autonomous in the sense that it is governed by a board of directors that consists of mostly financiers, and dependent insofar as it is subject to the rules and regulations that apply to a Swedish governed university, which means that financial, legal and staff issues are all managed and controlled by the university.

It is the formalized organizational structure of the university which set the overall framework for how Robotdalen can act. A structure that in many sense can be described as bureaucratic as most Swedish state owned universities. As Ireland and Webb (2007) highlights too much standardization or formalization (e.g. bureaucracy) has the ability to stifle an organization and make them more prone to take on predictable strategic initiatives, thereby undermine entrepreneurial initiatives such as change, innovativeness and creativity. Despite this it is possible to conclude that Robotdalen can be seen as an organization driven by an entrepreneurial mindset (Holmgren Caicedo & Mårtensson, 2011). Let us further elaborate on that.

An entrepreneurial mindset can be seen as a growth oriented perspective through which individuals promote flexibility, creativity, continuous innovation and renewal in organizations (see e.g. Ireland et al., 2003; Ireland & Webb, 2007; Morris et al., 2008; Ireland et al. 2009; Kuratko, 2009). Ireland et al. (2003) and Morris et al. (2008) argue that, if an organization is committed to entrepreneurship, an effective entrepreneurial culture is one in which new ideas and creativity is expected. Moreover, risk taking is encouraged, failure is tolerated, learning is promoted, product, process and administrative innovations are championed, and continuous change is viewed as a conveyor of opportunities. This could be applied to Robotdalen, and it would be possible to say that they are driven by an entrepreneurial culture. But as they are hosted by a Swedish state governed university it has been difficult at times to act with an entrepreneurial mindset as the structures tend to be quite rigid and inflexible as such they had to find their own creative ways of doing things. However, not always in line with the expectations of the host organization.

Robotdalen describe their core success factors as being an organization leveraging results (www.robotdalen.se). Firstly, the interviewed at Robotdalen claim that they understand and know entrepreneurship, industrial processes and marketing (a strategic aspect). Secondly, they claim that they dare to take the risk of combine formal analysis (a strategic aspect) and gut feeling (an aspect of entrepreneurship). Thirdly, they describe themselves as being hands-on and focused upon growth (an aspect of entrepreneurship). Fourthly, they are fast and non-bureaucratic (an aspect of entrepreneurship)
A comment by the CEO of one of Robotdalen’s products provides a colorful description of the action-oriented way of working at Robotdalen:

Robotdalen are the cowboys of the innovation system. They are more focused on doing the right things, than doing things right!

It is characteristic for Robotdalen that decisions are made fast (an aspect of entrepreneurship). This has, at least historically, generated difficulties for the administration of the hosting organization. As a Swedish university they are a public authority which make Robotdalen a subject to the same legislation and regulations as their host, e.g. to follow procurement instructions and conditions of employments, as other public authorities in Sweden (The Swedish National Agency for Higher Education, 2012). Some of the interviewed, however, tell us stories about how Robotdalen more or less on purpose ignored and eluded established administrative routines such as writing formal project decisions (a strategic aspect). One of the informants put it as follows using the image of the cowboy once again:

The administration [at Mälardalen University] believes that we are like ‘cowboys’ and they were initially very upset when we bought stuff and when we did not follow the procurement instructions. And that is how it was; we were very wild in the beginning.

From the stories narrated it is possible to conclude that plenty of the strategic aspects had to stand back in the beginning of the establishment of Robotdalen. However, as the years went by several strategic aspects such as administrative structures, strategic formulation and planning has been given more attention by management. Sometimes it is expressed as something that has been forced upon them e.g. by financiers and other stakeholders. At other times, especially regarding formulation of strategies and reporting aspects, it has also been expressed as being proactive in formulating strategies as a way to manage and control possible expectations in beforehand. As such not waiting for stakeholders and owners to dictate what they expect Robotdalen to do, rather dictate their own acting space and future direction by leveraging on results. To be proactive and at the same time deliver strategic results are important aspects of strategic entrepreneurship practices (Hitt et al., 2001).

Moreover, it is possible to state that Robotdalen has continuously worked on finding their strategic niche to act in since their establishment in 2003. After several revisions of the strategy, they did a larger renewal of the strategy in 2010. In this new strategy Robotdalen position themselves in a unique niche, when stated they compete as an enabler of commercial success. With this position they also intended to create a new market i.e. to do a domain redefinition which according to Morris et al. (2008) can be seen as a result of a strategic entrepreneurship practice. With the renewed strategy they got a more streamlined and clearer strategic focus. For example, with the new strategy the business of Robotdalen was divided into three main areas: industrial robotics, field robotics (e.g. autonomous vehicles) and technology for independent life, from previously acting in six areas. They also got a stronger national and international focus, from previously mostly being a regional actor. They previously also did a lot of work towards education. This kind of change regarding core strategy could from a strategic entrepreneurship perspective be seen as an outcome of a
successful strategic entrepreneurship practice of leveraging on innovation i.e. strategic renewal (cf. Covin and Miles, 1999; Morris et al, 2008).

The new strategy is also present in the visions towards 2019 were Robotdalen is presented as an internationally acclaimed innovation environment enabling commercial success of new ideas and solutions within robot technology. Moreover that this will be accomplished by (Robotdalen strategy presentation, 2014):

- Strengthening their unique position as an “enabler of commercial success”, through concrete project based on user-driven innovation and utilizing world class research from university partners.
- Attracting several new national and international companies to their region through the strong brand name of Robotdalen.
- Building a national innovation system for robot ideas and research results positioning Robotdalen as the partner of choice for innovators and entrepreneurs in robotics.
- Establishing the event Robotics Innovation Challenge and the competition Robotdalen Innovation Award in the international robotics sphere.
- Even stronger focus on creation of new products and companies, resulting in Swedish industry being a world leader in the use of innovative robotic automation.
- Utilize the potential in health robotics for Sweden to become a world leader in user driven technology-based innovation implemented in the health care sector.

Performance

As stated previous in this paper, performance is a central part of strategic entrepreneurship and it is argued that successful strategic entrepreneurship practices leads to enhanced performance (see e.g. Hitt et al., 2001; Ireland & Webb, 2003; Ireland & Webb, 2007; Kuratko & Audretsch, 2009; Kyrgidou & Huges, 2010; Luke et al., 2011). When it comes to Robotdalen they are often described as a successful collaborative initiative that have led to several important performance aspects. In a recent published OECD report (2012:33-34) the following conclusions were drawn:

Robotdalen is unique among assistive robotics developers for its integrative approach to robotics research, corporate development for young robotics companies, local economic development and job creation. No other robotics innovation project offers a similar combination of research driven innovation joined with pragmatic strategic planning in order to build and scale new companies.

Moreover, they are successful because they seemingly achieves its goals, is continuously growing, receiving funding, delivering tangible results and developing a strong brand as well as contributing to several new collaboration projects (Holmgren Caicedo & Mårtensson, 2012). Robotdalen has thus, on its own statement, become a leading national and European actor with a number of strong strategic international collaborations. Internal documents shows it has resulted in around 20-30 pre-studies per year, financial project support with between 200 000-400 000 SEK per case and around 20-30 cases per year, financial
support for 5-10 commercialization projects of about 1-3 MSEK/project. Such activities have resulted, according to Robotdalen’s own estimations, in around 5-10 new products/companies per year and national investments in new products and production systems valued to around 100-200 MSEK/year. Robotdalen presents their performance as an enabler of commercial success in terms of results and impacts (see figure 1 below).

In line with classical strategic management literature on performance (see the theoretical discussion in this paper) Robotdalen have chosen to mainly formulate their quantitative measurements on growth, namely growth in: products and new companies. To focus on simple and clear performance measures goes in line with what has been identified as important regarding strategy work in public sector (cf. Lane, 2008, Poister, 2010; Plant, 2010). Lane (2008) argue that good performance measures in public organizations emphasize the delivery of products and services. Secondary measurements of importance is the use of individual key performance measurements (KPI’s), which are developed between the general and individual manager. The key indicators are operationalized from the overall goals of Robotdalen, in this way every manager can relate to these. In that sense Robotdalen’s goals seem to have a very central role in the operational management. The point is, as the general manager stressed, that as Robotdalen has increasingly become goal oriented,
everyone must know exactly how he or she contributes to it by way of their specific key performance indicators.

From a strategic entrepreneurship perspective it would be possible to state that the discussion so far, indicate Robotdalen might have been too formalized and controlled (cf. Morris et al., 2008). However, even though goals and KPI’s do play an important role in the management control of Robotdalen, discussions, often very informal ones, between the general manager and the members of the management team seem to play an even more central role. Thus, all of the members of Robotdalen stress the importance of informal contacts and that they try to live by the motto “no one is more than a phone-call away”. In this sense management control practices are to a great extent canalized through non-standardized and informal channels. It also came forth in the interviews that the general manager spends a lot of time talking to all members of Robotdalen. These on-going discussions in combination with a management control structure that is simple and easy to understand (i.e. five KPIs) makes the organization apparently transparent and easy to adapt to (Holmgren Caicedo & Mårtensson, 2012), but also flexible regarding to make fast decisions as it is a flat organization structure with easy access to management. Moreover it also give the individual manger a space to make their own decisions as long as they perform in line with the KPI’s.

In summary, Robotdalen has created their own balance of semi-formalized structures and procedures that support strategic entrepreneurship practices (c.f. Ireland & Webb, 2003; Morris et al., 2008). They has over the years become on the one hand an increasingly formalized organization that is very result oriented and governing operations via goals and KPIs and on the other hand it is an organization prone to act entrepreneurially by continuously renews itself and by being dynamic and flexible. In some regards, performance measures could be said to mostly be an instrument to be used externally to provide the organization with legitimacy and the ability to focus on Robotdalen’s core function i.e. to be an enabler of commercial success. Morris et al., (2008) stress that entrepreneurial activities and processes may lack appeal to several stakeholders, due to their experimental nature and the lack of certainty that positive outcomes will accumulate from them. A way for Robotdalen to manage this has been to leverage on results. By delivering tangible results and impacts they have positioned them self as successful and as long as the financiers are seeing positive results from Robotdalen, and for their own organizations, they tend to let Robotdalen make their own path including taking entrepreneurial action. An interesting question would be if this would be possible without the successful results. As Ireland and Webb (2007) argue, employees and stakeholders prefer leaders who take a consistent path, have a clear strategy and leveraging on results, while entrepreneurship is based on change and innovation which rather forces employees to take up new routines and stakeholders to be uncertain of the outcome. One of the most recent entrepreneurial actions taken in Robotdalen is to renew the role and function of the board.

The emergence of a new governing board
In this section we will discuss and analyze possible challenges and opportunities in the emergence of a new board at Robotdalen. Previous literature has shown that there are tensions that needs to be balanced when
it comes to structure and composition of a board and we have addressed three specific questions to the empirical material that has guided us in the analysis (cf. Cornforth, 2003): 1) **Who governs?** Is concerned with how to balance the board composition regarding expertise and representativeness. 2) **What is the role of the board?** Addresses the issue of balancing between control/conformance and service/performance. 3) **What is the function of the board?** Focus upon the balance between being controlling of management or partnering with management. To be able to show the process of how the new board emerged the analysis has been structured upon three phases of: 1) the initial structure and organization of the board, 2) the quest of how to renew the board, and 3) the new structure and organization of the board.

**The initial structure and organization of the board**

From the instructions for the board the following is stated:

For Robotdalen there shall be a board of directors. The Board shall consist of eight (8) members, including the chairman. Members are appointed by the rector [of Mälardalen University] after consultation with the Robotdalen currently existing co-founders and partners. The members of the board shall be represented as follows: 2 representatives from industry, 2 representatives from universities, 4 representatives from the municipality and county administrative board. The chairman is proposed by the parties from Örebro County. Vice chairman is appointed by the Board. The appointment shall strive for equal representation from the concerned three counties.

Robotdalen has so far been governed by a board of directors whose current chairman is a county governor. Other members of the board represent the two collaborating universities, directors of municipalities and regional counties, a parliament member and representatives from the private sector. The membership into the board has been granted accordingly to an equal representation of the three regions (Västmanland, Sörmland and Örebro County) and their main organizations. This has resulted in that mainly the interests of the financiers are represented in the board. Moreover, it is argued in interviews that much of the time in the board goes to balance different interest between the board members as they come from different organizations, both private and public, with their own goals in mind. For example do they have quite different views on performance. The universities are mainly interested in performance regarding research output, and the representatives from municipality and county administrative board are interested in how Robotdalen contributing to the innovation system and creating new jobs, and the representatives from the private sector wants performances that contributing to growth and profitability in their organizations. Several of the public organizations are also interested in democratic values as multicultural and gender issues and how Robotdalen contributing to these values. The management has at several occasions stated that it is not an easy task to come up with results that make such different actors pleased. But as the empirical material shows, the management of Robotdalen has been proactive here. Thus they strategically stuck to two quite easy performance measures of new companies and products as a way to create transparency and legitimize their actions towards their owners. Moreover, they have been proactive and correlating these performance measures with both quantitative as well as qualitative factors that shows what impact they had on society regarding growth. These performance measurements and impacts have so far pleased the...
financiers, even though not meeting all requirements of the financiers e.g. regarding democratic values of gender and multicultural aspects, the results and impacts have been considered important for society and thereby Robotdalen has continued to get financial support.

It is not stated in the instructions that the same organizations should be in the board, nevertheless, this is what has happened. Thus when a board member quits his/her current position, in the organization that has a board position in Robotdalen, the new person that takes on the position automatically grants a position in the board. For example, if the mayor of Västerås ends his mandate the successor will automatically be allocated a seat on the board in Robotdalen. This means that it is the position in an organization that grants a position at the board, not a specific competence or skill that could be of use. As such it is possible to state that the board composition of Robotdalen was built on representativeness, and not expertise (cf. Cornforth, 2003), which can be slightly problematic. Hence if we look at the discussions that take place in the literature which argue that when having a strategic board the election of members based on their competence and contacts becomes important (Cornforth, 2003), especially in smaller organizations (Minichilli & Hansen, 2007). Moreover, it has also in Robotdalen become a problem regarding gender issues as the current board composition only consists of one woman due to the succession order.

Moreover, to lock the board membership at Robotdalen to specific organizations that in different ways have financed Robotdalen also brings on issues of potentially different stake and interest conflicts. As Holmgren Caicedo and Mårtensson (2012) argue it is noteworthy that Robotdalen consists of a rather limited number of individuals who participate in several different projects and cooperation projects and that they sometimes represent different roles and different formal organizations at once. That it is sometimes hard to separate what role they are acting in at the moment. This was also expressed by some of the board members as they should act in the best interest of Robotdalen, but at the same time govern their interests as financiers of Robotdalen and therefore also expected certain performance outcomes.

From the instruction (Robotdalen, 2003) to the board it is stated that the board is accountable for:

- that the overall objectives of Robotdalen are met
- that the work in Robotdalen is conducted in an effective and productive way
- that there is a development of the innovation system
- to establish an annual operational plan and budget based on the action plan for Robotdalen
- that the work in Robotdalen is implemented according to approved operational plan, set budget limits and accordingly to the action plan for Robotdalen.
- to propose decisions to the head chancellor regarding project that exceeds 500 SEK.
- that there is a general manager at Robotdalen
- that the general manager performs its duties in accordance with the instruction.

In the instruction of what the board is accountable for it comes quite clear that the current board has a role of controlling management. From the interviews it also came forth that the board primarily has contributing to strategy by exercising their power on approving visions, goals and strategic direction for Robotdalen. If
we see the financiers of Robotdalen as the owners, it would be possible to state that the function of the board mainly has been to protect the owners’ interest. This means that the board has had tasks of governing and administrative character, and that the role of control/conformance has dominated over the service/performance role in the board (cf. Cornforth, 2003). There, are, however, a couple of the board members that take more of a service/performance role and actively work together with management in order to develop strategies, but this is not part of the instructions and as such not a formalized practice. Rather it can be seen as some members of the board has been dynamic and flexible enough to act in other situations then they are accountable for as board members in the instructions when the management of Robotdalen has been in need of their support. Some of the board members has also contributed with a service role of acting as link between Robotdalen and the external environment by contributing with resources as network contacts and help in raising financial funds. This is neither formalized and part of the formalized instructions for the board.

So far the management have predominantly been the one making the moves and taking actions, both regarding strategic work and entrepreneurial processes, while the function and role of the board mainly has governed the financier’s interest and controlling the actions of management by taking the final decisions on the future directions of Robotdalen. However, these decisions has until today mainly been based on the work made by the management who wishes that the board would take a more supportive and active role in strategic matters. It has also been noted in an external expert group, in an evaluation made in 2010 by Cooke et al. (2010), that the role and function of the board needs to be reviewed. Similar, Holmgren Caicedo and Mårtensson (2012) has expressed a concern with the role and the composition of the board, thus it has been criticized because too many board members represent local or regional politicians. As a result, a lot of time has been spent on equal distribution of founds between the three regions i.e. it is possible to state that the board members at these occasions put their own organizations interest before Robotdalen.

It has also been expressed a concern that such a composition, of board members based on representativeness of the owners, make the board weaker and not as action-oriented as it could be if members from other backgrounds were included (cf. Holmgren Caicedo & Mårtensson, 2012). Moreover, some of the interviewed expressed that if the board of directors should change, the general manager probably would get a better support to manage Robotdalen in a professional way. In interviews with the board members it became quite clear that all of them also thought that it was time to renew the board its structure and composition, its tasks, its role and its function. Furthermore, they all had ideas about how such a renewal could take place. There was, however, a great variation expressed regarding to how and what needed to be changed. We are going to further look in to that in the next section.

The quest of how to renew the board

When the board members gave their view on their board work and how it could change it came quite clear that it was a struggle between how much control the current board members i.e. financiers should have and what competences were needed to give the management the support and service they had asked for.
One suggestion of how the structure and composition of the board could be renewed was to construct a formal governing board that could better contributing to the strategic development of Robotdalens and its future challenges. However, the composition of the board and its members should still be based on the function to protect the interest of the financiers, with the role to control management actions. It was suggested that the board members more or less could come from the same organizations as previous, but that it was important to start thinking about how the membership was locked to a certain position in each organization. This alternative n a new board was in other words grounded in the idea that the board task should be to have a more of a controlling role, a role that do not support entrepreneurial activities such as being proactive and taking risks (cf. Cornforth, 2003; Gnan, 2013b). Moreover it does not solve the problems of not having the competence and skills to go forward with their vision of 2019, which are based on more of a service/performance role (cf. Cornforth, 2003; Minichilli et al., 2009). A suggested way to solve this and combining the role of control with a more supportive service role was to also include an advisory board as a complement.

The main idea to have an advisory board was as a board member put it “to get some external competence that we are lacking”. Thus, interestingly several of the board members recognized that Robotdalens were in need of new resources e.g. competence, skills, and finances and thereby also suggested this new more strategic board should be combined with an "advisory board" including external competencies that could add operational, commercial and research knowledge etc. This advisory board was suggested to be formalized by some of the members, while others highlighted potential problems with governance and who the management should be accountable for. As one board member expressed it “who is going to have the last deciding vote, the board or the advisory board? Both?” Concurring with this reasoning most board members suggested that an advisory board should be informal with no formal governing function, rather it would be characterized as a service role for the board and the management in that they get better access to key skills and competences. A board member, however, expressed a concern for “how much bureaucracy a small organization can take?” and “shall the governing function be larger than the organization itself?” Similar, another board member questioned if such a small organization was in need of two boards:

[You can have two boards, no it seems ridiculous for such a small business. [...] To me it feels a bit like a defeat to have two boards, this is something a wise board should be able to manage if it’s the right people [and] how would the mandates be between those boards? I do not know if you can make it there with two, I do not know, I am divided, generally I think it should be one board.

A second suggested alternative was to have a formal board but with less of a controlling role. Rather the function of the board would be to work together with management in a partnership in order to create value for the organization (cf. Cornforth, 2003). The strategic work was suggested then to be more of an operational kind with the role of giving service for the management (cf. Minichilli et al., 2009). The suggestion was grounded in that the board and its composition would be elected on basis of their competence and skills, not as previous on representativeness. A board member suggested that the competence would be connected towards Robotdalens three core areas of industrial robotics, field robotics
and technology for independent life. This in conjunction with business knowledge about the commercialization process such as how to manage projects, commercialize new ideas and products on the market. Also this operative board were suggested to be complemented by an “advisory board” where financiers and representatives from private sector are included. Several board members, however, stressed that if the board should become more operative several of them needed to be replaced as they did not had the required competence to give that support and service. Some of the board members was also concerned that the controlling role as financiers would be at stake.

To solve the problem with balancing the controlling role and a service role of a more operative board a third suggestion was discussed that included to create a formal governing board with eight members were half of the board members should have a more general strategic competence and the other half more of an operative competence. This board was suggested to meet twice a year and function as a governing mechanism that control the interest of the owners with a controlling role. Also three members from this board composition were suggested to be working in a separate committee, were the members with the operative competence and skills would be part of. This group was suggested to have board tasks that included to work closely together with management in a partnership, as such give a service role regarding operative matters. It was suggested that this working committee would have formal meetings with the management about four to five times a year. As the working committee is part of the governing board, an interviewed board member argued there will be no issues regarding governance. Moreover, that larger strategic decisions should be taken at the meetings with the whole board, while decisions of more daily and operative character could be taken between the working committee and the management. Some suggestions was also made that this new board could be complemented with an informal advisory board with external representatives from both public and private sector. But once again the issue of governing came up regarding how much formalized structures a small entrepreneurial organization as Robotdalen could take, even though one board member at the same time stated “when working with creative people structure is sometimes needed”.

A forth suggestion that was discussed would be a formal operative governing board with the competence needed to give management support and service in their daily work. However, this board was suggested to be governed by a so called financiers group that would have the power and the right to vote for the future direction of Robotdalen. In other words the operative board would not have any decision rights or power. Rather the function would be to work together with the management at Robotdalen with the role of providing them with competence and skills needed in their daylily operatives. The financiers group was suggested to have an overall strategic competence as such have a service role in the development of strategies (cf. Cornforth, 2003). The arguments for this alternative was mainly based on that it is important that the financiers still have a monitoring role, but also that it is important that the financiers are part of the board in some ways as Robotdalen need their legitimacy and financial support. This new board structure as also suggested to potentially be complemented with an informal advisory board with external representatives
from both public and private sector. In figure 2 (a below) we have summarized the four discussed alternatives of how the board could be renewed.

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<td><strong>Alternative 4</strong></td>
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Figure 2 - A summary of suggested alternatives on how to renew the board’s tasks, its role and function.

*The new structure and organization of the board*

During autumn 2013 there has been a working committee assigned - that is governed by the chairman and included a board member and one external representative - to discuss and develop the role and function of the board. From their work there has been a new instruction for the governing board of Robotdalen that was approved by the board and the rector at the hosting university in early spring 2014. At the time of writing this paper, Robotdalen was in the process of selecting their board members and there is an election committee working right now, spring 2014, on coming up with different suggestions. In the new instructions of the board’s missions it is expressed that:

> The Board's mission is to actively work with Robotdalen positioning, strategy development, resource procurement, and to provide a forum for principals/owners/stakeholders for control of the organization. The Board's mission also includes making suggestions on a nominating committee for renewal of the Board every two years. Hence, Robotdalen formally is a center formation at MDH [Mälardalen University], the formal decision regarding the nominating committee and the board is made by the rector of MDH. The composition and competence of the board will be matched with the vision of 2019 where Robotdalen shall be an internationally recognized innovation environment. This means, the board altogether should have competence, and great ability to influence the private sector/industry, health care, innovation system, commercialization, financing and academic research.

It can be interpreted from the new instructions that it has been decided that Robotdalen still should have a formal governing board, but the composition of the new board should be based on competence that is matched with the vision of 2019, rather than representativeness as previous (cf. Cornforth). Moreover that
the work tasks of the board should be to actively work with strategy development and resource procurement. As such the board function should not primarily be to act in interest of the owners/financiers, and as previous have the role of controlling the actions and behaviors of the board (cf. Cornforth, 2003; Minichilli et al., 2009). Rather, the boards function should be to interact with management and to become a strategic resource with the role to provide service in strategic matters. However, the role of control is still present, thus, it is stated that the board should provide a forum for principals/owners/stakeholders for control of the organization, but it does not say that these groups necessarily should be members of the board. As it is important for Robotdalen to have the legitimacy of their financiers and that the financiers want to have insights to what is happening with their invested money they have been creative in that they decided to construct a yearly conference were all the financiers and other stakeholders get invited, not only those previously in the board. They have named this in the instructions for the board as the “principal meeting” which includes the following:

Principal meeting - is a forum for financiers and other stakeholders with the aim to anchor Robotdalen direction and to give suggestions on Nominating Committee and the Board. However, it is not a decision making body but a forum to create legitimacy, participation and transparency.

In the instructions of boards mission it came through that owners/principals/stakeholders should have the potential to exercise control and the yearly meeting is one way of giving them this opportunity. Nevertheless, in the description of the principal meeting it is stated that “it is not a decision making body”, as such the owners/principals/stakeholders do not have any formalized control. As the principal meeting do not have any formalized role of control it could be seen as more of an advisory board that has a service role, which was in line with several of the current board-members suggestions and the external evaluation made in 2010 (Cooke et al, 2010). However, it is interesting to notice that they chose to call it a principal meeting instead. A possible explanation could be, and it has been implied by management, that it is a creative way to manage the need among the financiers to feel that they have a say in the matter of the future direction of Robotdalen and that they thereby still have a controlling role that at least give them insights to the organization and the actions of management.

The final results of the board composition will be shown when the selection process of board-members are finished and approved. The general manager, have though expressed a concern that it might not be the kind of change he was hoping for as some of the previous board members might have a problem in giving up their positions as they think they need to be part of the board in order to control and monitoring their interest. At the same time the general manager expressed that he still is hopeful that they as management will get better support and service in the future regarding strategic matters and maybe also better access to specific resources.

In sum, the interviews implies that there has been a struggle to create the balance regarding if the board composition would be built on expertise and competence or representativeness of the owners i.e. the financiers. Moreover the role of the board and how to balance between control and service have been central
as there has been an issue regarding to balance between the need of governance and control from the owners and the need for more support and service for the management. As such the question came up regarding how close the board should work with management i.e. of balancing between exercising control over management or partnering up with them. The new instructions do include aspects of both control and service.

Closing discussion

By utilizing Robotdalen as a case example we have discussed and analyzed how they during the last years have struggled with increasing bureaucratic structures and management control systems, these structures and systems both tend to limit their entrepreneurial work but have also been used as an advantage e.g. by being proactive and creating clear and simple performance measures that has gained legitimacy towards owners and other stakeholders’. In this way they have managed to take off some of the governing control aspects of the financiers/owners and thereby enhanced their autonomy and do things in an entrepreneurial way, which has been necessary in order to manage different stakes and interests of both public and private partners. In line with research on strategic entrepreneurship practices Robotdalen have during the years came up with several innovative solutions on how to perform their work, but also taken several actions to renew the organization e.g. strategic renewal, domain redefinition and organizational rejuvenation (cf. Covin & Miles, 1999; Morris et al., 2008; Kuratko & Audretsch, 2009). It is possible to state that it has been a challenge for Robotdalen to find their “their own way” through acting in an entrepreneurial manner. Nevertheless, they have at several times managed to take advantage of what the governing structures allowed and when necessary they have also ignored those.

Gabrielsson (2007) is one of many scholars arguing that when an organization is growing and is getting established the increasing complexity of the organization starts to require more sophisticated planning and control systems including more formalized planning procedures. As such, he argues that a board can have an increasingly important role in helping the CEO in exercising control after a transition to managerial structures has occurred. At the same time Gnan et al. (2013b) argue that it is important for the board to provide service in strategy developments by favoring entrepreneurship through change and innovation in strategic decision-making. If we relate this to the empirical material, Robotdalen initially was, on the one hand, driven by entrepreneurial processes, but on the other the by formalized governing structures and processes of the board. In this way Robotdalen and its board created a balance between strategic and entrepreneurial activities and processes. The empirical material also indicates that Robotdalen as they became more established also became more strategic (cf. Ireland & Webb, 2003; Gabrielsson, 2007; Morris et al., 2008). As more structures and procedures developed the requirements of reporting to different stakeholders increased the management expressed they needed more of a service role from the board. The service they wanted was that the board should be more actively involved in strategy development and resource procurement. There is research that has shown that the boards involvement in strategy development in small (Gabrielsson, 2007) and public (Gnan et al., 2013b) organizations enhances the
chances of creating entrepreneurial activities and processes, e.g. renewal, risk taking and proactiveness (cf. Cornforth, 2003).

In the attempt to understand the emergence a new board from a strategic entrepreneurship perspective we have analyzed potential tensions that needs to be balanced when it comes to structure and composition of the board. The focus has then been on how to balance expertise with representativeness, control/conformance with service/performance and the aspects of controlling management with partnering. As a result we can conclude that Robotdalen, as a young entrepreneurial hybrid organization, was mostly driven by an entrepreneurial mindset and the function of the board was to protect the interest of the financiers/owners, with a controlling role. As the organization matured and more formalized structures and routines established, the need for a board with a more supportive service role emerged, were the function would be to act more in a partnership with the management. To meet these needs the composition of the board has to be scrutinized, thus other competences than before were needed and therefore the structure of the board needed to be changed be based on expertise rather than representativeness of board members. Minichilli and Hansen (2007) argue that smaller organizations tend to perform better when the composition of the board that is based on expertise and competence is more important than board structure. At the same time it was also important for Robotdalen to get the financiers involved to gain their legitimacy by e.g. create a transparency into the organization through their board work. A problem though was that most of the financiers did not have the competence required to be in a service role. As such, Robotdalen came up with the following solution to balance the role of the board including both control and service/performance. Not in a traditional way, however, thus created a principal meeting (informal control from the financiers’) as a complement to the board that is more driven by a service role. Previous research has also shown (see e.g. Gabrielsson, 2007) that smaller entrepreneurial organizations such as Robotdalen tend to benefit from both formal and informal influences of the board in strategy processes and content.

Conclusions

In this paper we have focused on organizational rejuvenation, more precisely the renewal of the board - its structure, composition, role and function at Robotdalen – viewed as an innovation and an outcome of strategic entrepreneurship practices. Moreover, we have highlighted how the board could be an enabler of strategic entrepreneurship practices by leveraging on innovation through a balancing act between strategic and entrepreneurial activities and processes. To balance accountability, democracy and performance in the renewal of the board has been a key issue in this paper and it is suggested to be an important aspect to consider from a perspective of strategic entrepreneurship in public organizations. This paper indicates that this might especially be of great importance to smaller entrepreneurial hybrid organizations as Robotdalen. Thus, acting in a complex setting of both private and public actors not only poses challenges of monitoring different stakes and interests (cf. Holmgren Caicedo & Mårtensson 2012), but also differences in strategic goals and views on values e.g. public actors put forth values of democracy and accountability, while private
actors emphasized values of growth and profitability. To find the “right” balance on board tasks, roles and functions in a way that would give Robotdalen the possibility to not only act strategically towards its visions, but also to enable entrepreneurship has possessed a challenge but also an opportunity to innovate.

References


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