

Corporate Venture Capital: Case of Latvia

Anita TITOVA

Faculty of Engineering Economics and Management, Riga Technical University
Riga, LV-1048, Latvia

Natalja LACE

Faculty of Engineering Economics and Management, Riga Technical University
Riga, LV-1048, Latvia

ABSTRACT

This pilot study aimed to identify the factors influencing corporations' willingness to establish Corporate Venture Capital (CVC) funds in regions outside core venture capital (VC) centers. Through content analysis, factors affecting the creation and continuation of CVC funds were identified and their interconnectedness was examined. These insights were applied to analyze the initial attempts of a major Latvian corporation to engage in CVC activities.

The evaluation of the fund established by the corporation revealed financial losses and a lack of strategic integration of portfolio companies' business ideas into the corporation's operations. However, the corporation's pioneering efforts in CVC activities in an undeveloped and unsupportive environment were acknowledged as beneficial to the broader ecosystem.

Several internal factors were identified as potentially detrimental to the fund's success, including limited interaction between the corporation's staff and the fund's portfolio companies and the corporation's partial state ownership.

The study highlighted the undeveloped state of the Latvian CVC market and the still-maturing VC market. Nonetheless, public funding for VC funds was a key catalyst for the corporation's fund's development. The study suggests that enhancing government policies and incentives is crucial for encouraging CVC activities in regions with undeveloped CVC markets. Further research is needed to identify other potential market players and their obstacles for CVC activities.

Keywords: Corporate Venture Capital, Corporate Venture Antecedents, Influencing Factors, Public Support and Influencing Factors.

1. INTRODUCTION

Corporate Venture Capital (CVC) is capital directly invested by corporations in innovative companies with

high growth potential. Usually, a special vehicle—a fund is established to do this.

CVC is regarded as an important alternative financial resource for startups and a way to access strategic resources (research facilities, technical, marketing and sales expertise etc) within corporate organizations [1]. It is also an important way for big corporations to elevate their innovation potential and catch market movements [2], [3].

Still, the knowledge about CVC mainly comes from studies regarding companies in the United States (US) [4]. This limited geographical focus mirrors the previous distribution of CVC in the world where most CVC funds were established and active in the US. However, data for the last five years shows that CVC deals in the US are only around 40% of all world deals in this period. Asia has become a very active region for CVC deals - around 30% of all world deals, and Europe reached the level of around 20% of the world deals (authors calculations from CB Insights [5] data).

Previous research suggests that CVC activities are mostly relevant for large companies [4], [6]. The largest companies in the world are highly involved in CVC activities, measured by total revenue. The study by Gbadji et al. found that 29% of Fortune Global 500 companies had CVC funds for the researched period [4].

Also, research data evidence that CVC, the same as VC funds, are unevenly distributed around the world. Most VC [7] and CVC funds [8] are located around core VC clusters. The status of regional economy, geographical and functional nearness to key partners [9] are some of the factors that explain why VC activities tend to be active in some economic regions and absent in others. Similar factors and a vibrant VC community are anchors for corporations to run CVC programs [8].

One of the main limitations of entrepreneurship is access to finance and other resources to professionalize the business, especially in the early stages. CVC is an important tool for developing startups, and startups have wider economic benefits. Therefore, it is necessary to investigate whether and how the creation of corporate venturing programs in the regions where they are absent is possible.

For this purpose, the authors conducted a content analysis to find factors impacting CVC activities. To understand these factors' applicability in undeveloped CVC-perspective regions, the authors conducted a case study of one CVC pilot program in Latvia. Latvia was chosen as a region with a presumably weak environment for CVC programs because of the still maturing VC market [10], GDP per capita below the EU average, and very few trials in the CVC direction.

To the best of the authors' knowledge, there are no studies concerning CVC in Latvia. The authors also could not identify any articles researching CVC issues in countries where CVC is absent or only weak antecedents of it appear.

The article is organized as follows: the next section introduces with the findings of the previous studies regarding main principles of the functioning of CVCs. The third section describes the research design. The results of the study are presented in the fourth section. Section 5 outlines the main conclusions.

2. LITERATURE OVERVIEW

Firms have several alternative ways of pursuing external business development and corporate growth, such as mergers, acquisitions, and joint ventures. Corporate venturing became an additional popular way for external further growth starting from the mid-1960s when there was a wave of US public corporations willing to copy the success of VC-funded technological companies. Willing to reproduce it for strategic and financial reasons, these corporations set up their first CVC funds [5], [11]. Since then, the Corporate venture capital industry has gone through several cycles that closely tracked the independent venture capital sector's booms and busts.

The CVC practices from the US spread around the world, but very unevenly. The same as VC funds [7], which tend to be located around core VC clusters, studies document that CVC funds also appeared only in places where VC funds were active [8]. The status of the regional economy, geographical and functional nearness to key partners [9], entrepreneurial and innovative environments, and well-developed markets are some of the factors that explain why VC activities tend to be active in some regions and absent in others. The same factors and a vibrant VC community are anchors for corporations to run CVC programs [4], [8].

In response to the prevailing number of CVC funds in the US, most studies regarding CVC cover the US [4], [12] even now, when a substantial share of CVC deals are also done in Asia and Western Europe.

Additional part of the studies includes other developed countries, mostly based on data from VentureXpert, offered by Thomson and believed to be the most comprehensive search tool for private equity and venture capital market.

Besides the limited scope of existing research, the studies mostly focus on corporations already investing in companies and don't explore the settings for CVC development from scratch.

To the best of the authors' knowledge, there is no scientific work on the topic regarding Central Eastern Europe region and particularly Baltic States and Latvia.

CVC activities pursue two goals at the same time: financial return the same as for independent VC funds and strategic objectives. As expressed by Yang et al., the result of CVC activity are the financial returns of a CVC investments plus the possibility though these investments to capture future growth opportunities [13].

There are different strategies for achieving it. Even though CVC started as a way of replicating VC funds' success and getting access to novel technology [11], nowadays, there are also completely other reasons why a corporation establishes VC funds. Studies show that the external R&D aspect is not a reason for the establishment of CVC funds for some corporations. Instead of that, by investing in startups, they are trying to leverage their expansion rapidly [14], [15]. Some corporations hold a very strong degree of fit between the corporation and the portfolio firm [11]. In contrast, others use the portfolio diversification principle, which is related to corporate wealth creation in a U-shaped relationship and is better suited for corporate investors with little financial constraints [13].

CVC phenomena are researched from two sides: corporations setting up funds and startups applying for such finance. The aim of this article is to investigate factors impacting the CVC market, where both sides are important for the development. As demand from startups for such funding also impacts the creation of CVC funds, it is necessary to mention the studies regarding startups' attitudes toward funding from CVC. The studies suggest that both partners in CVC fund investments (corporation and startup) potentially get valuable collaborative opportunities between them [16]. Still, because the CVC setting creates for incumbents the way to obtain new ventures' knowledge, it also creates fears of startups of opportunistic attitude of corporations [16], [17]. Such fear not only impedes the willingness of startups to apply for CVC funding, but also, in cases when incumbent firm has an opportunistic reputation, decrease the potential for productive collaboration between the corporation and new venture [16].

Doubts regarding results from CVC also exist among corporations. Some of them consider their CVC programs to be successful. Others - declare that they have not reached their aims [18].

Even though the literature points to drawbacks of CVC for both sides, the research also suggests that CVC settings have potential for both sides if funds are correctly placed in a corporation's structure [19], [20], [21] and if startup has minimised potential of a fund's opportunistic attitude by selection of correct corporation as a partner [16].

Based on the existing research in the 4th section, the authors will provide a preliminary evaluation of the factors impacting CVC activities in Latvian settings and a case study of one antecedent of corporate venturing in Latvia.

3. RESEARCH DESIGN

To determine the factors influencing the corporations' willingness to set up CVC funds, Web of Science Core Collection was used to find appropriate studies. The search term was Corporate Venture Capital. To reasonably limit the number of studies, the search period was limited to the latest studies (2022-2024) and those who were cited in them. After preliminary acquaintance with studies selected by Web of Science search tool, 30 articles were recognised as covering the topic of the research. Additionally, 17 articles cited in them were added to the list.

Based on total list of 47 articles content analysis was done and from codes factors, factors' groups and metagroups were developed and their potential interactions found. The results of the content analysis will be described in the next section.

The list of factors was used to prepare the questionnaire to investigate one of the first attempts in Latvia to set up CVC arm by one of the largest television, telecommunication and internet service providers in the country. Five main persons directly involved in the setup and activities of the fund at the moment and previously were asked to fill out the questionnaire. Between them, a leading representative of the fund, 2 persons in charge of the unit of the corporation directly responsible for the fund, and one from management of the corporation, being the originator of the corporation's involvement in the fund. Additionally, as State Development Agency ALTUM provided public funding for the fund and therefore had information regarding the fund activities, the head of the VC programs at ALTUM was asked to fill out the questionnaire.

Two of these persons filled out the questionnaire, and two provided some information but refused to fill out the questionnaire, arguing that the information requested was too sensitive. One person did not fill in and also did not provide any information.

Additionally, publicly available information about the corporation, the fund and its portfolio companies was studied. Particularly, about the management and changes in it, annual financial statements, declared industries based on NACE codes of portfolio companies.

Based on a mixed-methods approach, which combined content analysis on the subject and a case study [22] on the particular Latvian corporation's participation in a VC fund, we delivered preliminary suggestions for intensifying CVC activity in Latvia or similar countries.

4. RESEARCH RESULTS

4.1. Factors impacting CVC funds creation and survival

During the content analysis, 23 factors impacting the creation of CVC funds were found. The literature points to the importance of not only setting up a CVC fund but also continuing these activities [19], [21], [23]. Therefore, the list of factors also includes factors important for the continuation of CVC programs.

The factors were grouped into factors groups and metagroups. The principle of grouping factors in groups and metagroups is taken from Latvian VC market studies [10]. The reason for that is, the previous research's suggestion that the CVC market follows VC market movements. Therefore, the authors presume that the logic for factors important for the VC market maturing in Latvia could also be applicable to CVC.

First metagroup consists of factors characterizing CVC market players and is called *CVC market players*. The factors from this metagroup are related to internal characteristics of the market participants. The metagroup consists of two factors groups. First group is group *Factors related to corporations' features*. The factors belonging to this group are listed in Table 1.

Table 1

Factors related to corporations' features

Aspirations for innovation goals
Internal R&D base
Organizational slack
Balance between resource allocation to exploration and exploitation
CVC experience
Corporations ownership structure
Life stage of corporation
Financial status

The factor **Aspirations for innovation goals** is the strategical aspiration of a corporation towards innovation. It also includes its continuance after a change of management [23].

The **Internal R&D base**. This factor impacts corporations willingness to adopt CVC programmes dually. From one side a corporation need a strong internal R&D base to recognize and absorb novel knowledge from startups [24]. On other side studies suggest that the firms that internally are able to generate more innovations are less likely to establish CVC programs [8]

Organizational slack is the excess of the firm's resources, primarily staff's time and internal systems' availability to the firm's everyday needs. Slack allows a corporation to better absorb knowledge from startups [8], [25], implement it in its operations and also help to develop portfolio companies with its expertise and resources.

The factor **Balance between resource allocation to exploration and exploitation**. The studies suggest that

better alignment between exploitation and exploration actions during CVC activities lead to a higher impact on a corporation's financial and strategic performance and, as a result to the prolonged survival of CVC programs [19], [23].

The factor CVC experience points to the necessity to have personnel experienced in complex VC dealmaking processes and also able to adapt it to a corporation structure rules [13], [26].

The factor **Corporations ownership structure**. The studies suggest that CVC funds set up by corporations without public owners have a higher risk tolerance and are, therefore, able to invest in and nurture more innovative companies [27] than those backed by firms with public shareholders.

The factor **Life stage of corporations**. The studies suggest that younger firms approaching maturity are more likely to adopt CVC programs [8], [28].

The factor **Financial status**. The studies suggest that CVC programs are more likely to be adopted by large corporations [4], [6], having large sales revenues [8].

Second factors' group belonging to the metagroup *CVC market players* is group *Factors related to entrepreneurs*. The factors belonging to this group are listed in Table 2.

Table 2

Factors related to entrepreneurs

Number of startups willing to engage with CVC
Quality of startups willing to engage with CVC
Balance between startups' openness and self-protection

The factor **Number of startups willing to engage with CVC**. The number of startups could be hardly impacted by the reputation of CVCs and believes regarding their attitude towards investees [29].

The factor **Quality of startups willing to engage with CVC** characterizes the innovativeness and commercial potential of the investee. Also, this factor characterizes the complementarities between the investee firm and its CVC. Also, it is important to which industry startups belong. Studies suggest that corporations are more likely to fund startups that have existing market-based growth opportunities and pursue them in munificent industries [14].

The factor **Balance between startups' openness and self protection** in a CVC relationship describes the line the investee holds between it and the fund in order to protect from the opportunistic behavior of the incumbent firm [16]. The studies show that the possibility of getting higher complementarities is positively related to the level of social interaction between the CVC fund and the investee and negatively related to the use of different types of relationship safeguards by the investee firm [29].

The second metagroup consists of factors characterizing the surrounding environment of the CVC

market and is called Environment. The factors' groups and factors belonging to this group are listed in Table 3.

Table 3

Metagroup – Environment

Factors' group	Factors
Legal environment	Friendly bankruptcy regulations [4] Factors important for VC [10]
Government policies	National directives regarding innovations and CVC Friendly venture capital-related policies Policy stability [30]
Infrastructure	Developed Financial market Geographical proximity to VC clusters [8], [11]
Environment for innovation	Scientific environment Technological environment
Resources	Availability of talents and skilled personnel
Macroeconomic conditions	Macroeconomic environment Business Cycle

The literature suggests [2] that the factors in the CVC market, like those in the VC market [10], are interconnected and that total CVC market activity results from their interaction. Also, the total CVC market activity impacts its participants and surrounding environment, as visualized in Figure 1.

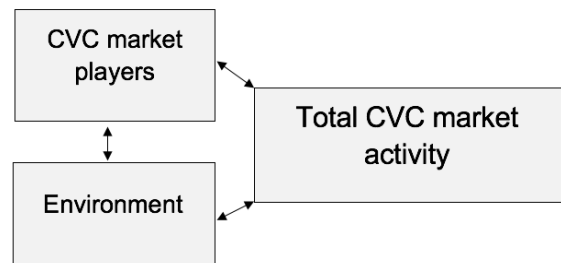


Fig. 1 Metagroups impacting CVC market in a country and their interconnection

4.2. Latvian CVC scene and the factors impacting it

Latvian CVC scene: According to the information of the Latvian Venture Capital and Private Equity Association there are no and have not yet been pure CVC funds in Latvia.

The obvious explanation for that is the still maturing VC market in Latvia and the low number of companies potentially able to engage in CVC activities. Studies suggest CVC activities are mostly relevant for large companies [4], [6]. Still, the number of companies eligible for large enterprise status (European Commission Regulation (EU) No. 651/2014 of 17 June 2014) based on data from 2021 and 2022 in Latvia is only 272.

Still, the first antecedents of CVC activity [31] were organized by some of the largest corporations in Latvia,

such as hackathons, strategic partnerships through innovation platforms, incubators and accelerators. And few trials before setting up a pure CVC fund, becoming a leading partner in VC funds was observed.

Leading Latvian internet service provider, telecommunications, technology, and entertainment company Tet, during the last 8 years, participated in two VC funds. The corporation has not established its own corporate venture funds in the traditional sense. However, it has participated as a co-investor in these venture capital funds and has been engaged in the activities of them through this role.

The first one was founded in 2016 - SWG Riga Fund 1. The management of it was done by Startup Wise Guys, professional VC fund and accelerators manager in Baltic States. From publicly available information the involvement of TET in SWG Riga Fund 1 activities was not bigger than for typical limited partner (LP) in a VC fund. As evidenced by the publicly available financial statements all period starting from the establishment the fund had losses.

The second trial of the corporation's engagement in CVC activities was in 2018. TET, through its subsidiary company, established Fund management company Overkill Ventures, and it set up 2 funds that complement each other. (As these funds worked in close corporation by the same management and complemented one another further in the article from time to time where it is appropriate, they will be named together as the fund.)

To analyze factors exposure in the Latvian context the second fund were chosen for case study. The reason for that is higher involvement of the corporation in the activities of the fund and also its being the latest fund of the corporation, potentially improved with the observations from the 1st fund.

Factors delivered from the content analysis could have different degree of impact in Latvia the same as in other countries [12], [32], not being natural VC clusters and having structural economic differences from the US and other researched more developed countries.

There are only antecedents of corporate venture capital, but no CVC funds. Environment for CVC market is not developed and even VC market which could impact generation of CVC funds is still developing. As result, two metagroups which could impact the development of total CVC market are not providing an impact to stimulate the development of CVC market development. Total CVC market activity is very low or even in fact non existing, as there are only antecedents of corporate venture capital, but no pure CVC funds.

During the case study, we analyzed publicly available information about the corporation and the fund, the financial statements of the fund for the period 2018-2023, and asked the persons involved in the exertion of the fund activities either from the fund, either from the corporation to fill the questionnaire and had an additional exchange of information with them. Responses to the questionnaire were recorded on a 10-item Likert scale.

We got a low response rate to the questionnaire either from the parent company or from the fund. Those who refused to answer explained it with sensibility of the information regarding TET/Overkill relationships. Still, they provided some basic information that was valuable for the analysis.

Therefore, the answers we got from the questionnaire should be interpreted with caution. Still, they together with publicly available information provide some basis to understand how a corporation's willingness to explore external growth avenue through CVC activity looks in the undeveloped and therefore unfavourable environment.

Results from the fund. Financial Statements for the period from setting up the fund show that there were losses for each of the years (Financial statements publicly available for the period up to 2021 (including)). Still, the fund has not exited from all its portfolio companies. Therefore, the final result of the fund from a financial point of view could still be positive.

To the question "Please evaluate to what extent the aims to set up the fund were achieved", all answers were 3 in the scale of 10, where 10 is fully achieved and 0 is not achieved.

The insufficient results (at least at the moment) from the fund's operations can't be explained by the lack of interest from startups in receiving funding from the fund. The answers we got through the questionnaire were that the interest was sufficient.

One of the respondents commented that, although the results of the fund are seemingly not impressive, TET, which acts as a pioneer of this type of fund in Latvia, is commendable, and the whole ecosystem benefits from such bold action in an undeveloped and, therefore, unsupportive environment.

Relationships between the fund and the corporation. As previously mentioned, the placement of the fund in the cooperation's structure and organizational slack of it have a major impact on the success of CVC activities [19], [20], [21]. As regards the organizational slack or internal ability of the parent company staff due to time and other limits to absorb knowledge from portfolio companies and exchange knowledge and resources with them, the answer we received was that it was insufficient. To the question of how many (approximately) hours the corporation's staff members were involved in contact with the fund, we got 1 answer, which was 2 hours per month.

The very limited number of hours of contact between the corporation and the fund could explain the following: Respondents answered that there were no cases when the ideas of portfolio companies were integrated into the corporation's operations. This answer contradicts to the fact, that the majority of fund's portfolio companies are from the same industry where the corporation operates.

In such situation, there is potential of synergies between the corporation and the portfolio companies [11], which presumably was not used as the aims of the funds

according to the answers and preliminary financial results were not achieved.

Management factors of the parent company. As regards the experience in CVC in the corporation. At the moment of the establishment of Overkill, there were persons with experience in CVC in the corporation's management and they were put in charge of the fund. Later, the board of TET was changed, and also the person with CVC experience in charge of the fund left the corporation. Seemingly, the change in the management could have a negative impact on the fund. Still, the answers to the questionnaire regarding the impact of changes in the management of TET and in the unit in charge of Overkill indicated that the changes had no substantial impact.

As regards to the factor the Corporations ownership structure, TET is company in which Latvian Republic has 51% of shares.

External factors. From the factors listed in metagroup Environment only governmental initiative to provide financial support for early-stage VC funds could be mentioned as stimulating the creation of the fund. The fund established by the corporation used this possibility and majority of the funding came from the government, the rest from the corporation. Still other external factors in Latvia are not beneficially impacting CVC activities generation. The answers to the question regarding external factors that could stimulate the corporation to continue the CVC operations were (i) state policy in favour of CVC activities; (ii) Other companies, involved in CVC activities and (iii) Tax benefits would help.

5. CONCLUSIONS

This study was pilot study aimed to identify the factors influencing corporations' willingness to set up CVC funds in regions outside core VC centres. Based on content analysis, 23 factors that impact the creation and continuation of CVC funds were found and categorized into groups and metagroups, and their interconnectedness was understood. These findings were then applied to analyze the first attempts by a major Latvian corporation to engage in CVC activities.

The evaluation of the fund, established as a result of these activities, gave such results. From a financial point of view, the fund had losses. From a strategic perspective – there were no cases when the business ideas of portfolio companies were integrated into the corporation's operations, and respondents regarded that fund aims were not achieved. Still, as one of the respondents remarked, as a pioneer of this type of fund in Latvia, the activities of the corporation are commendable, and the whole ecosystem benefits from such bold action in an undeveloped and, therefore, unsupportive environment.

From internal factors which could not be beneficial for the fund, such issues were identified. The staff of the

corporation and the fund/ its portfolio companies had a very limited number of hours of contact. There were changes in the board of the corporation and also in the unit in charge of the fund, seemingly decreasing CVC experience in the corporation. Still, the respondents to the questionnaire did not regard the change in management as impacting the fund negatively. Also, between corporation's shareholders is the state, but studies suggest that CVC funds set up by corporations with public owners have a lower risk tolerance and are, therefore, less able to invest in and nurture innovative companies [27].

From external factors, the results show that the Latvian CVC market is not developed, and even the VC market, which could impact the generation of CVC funds, is still developing. Still, the public funding available for VC funds served as one of the catalysts for the development of the fund.

The study's results suggest that enhancing government policies and incentives to encourage CVC activities is very important in regions where the CVC market is not developed.

To fully understand how to intensify CVC activity in Latvia and similar markets, it is necessary to continue the research to identify other potential market players and their obstacles to starting CVC activities.

6. REFERENCES

- [1] M. V. J. Maula, E. Autio, and G. C. Murray, "Corporate venture capital and the balance of risks and rewards for portfolio companies," *J Bus Ventur*, vol. 24, no. 3, pp. 274–286, May 2009, doi: 10.1016/j.jbusvent.2008.10.012.
- [2] F. Meng, Y. Tian, C. Han, S. S. Band, V. Arya, and M. Alhalabi, "Study on Value Symbiosis and Niche Evolution of the Corporate Venture Capital Ecological Community for Innovation and Knowledge," *Journal of Innovation and Knowledge*, vol. 8, no. 3, Jul. 2023, doi: 10.1016/j.jik.2023.100363.
- [3] D. Benson and R. H. Ziedonis, "Corporate venture capital as a window on new technologies: Implications for the performance of corporate investors when acquiring startups," *Organization Science*, vol. 20, no. 2, pp. 329–351, 2009, doi: 10.1287/orsc.1080.0386.
- [4] A. Da Gbadji, L. A. G., Gailly, B., & Schwienbacher, "International Analysis of Venture Capital Programs of Large Corporations and Financial Institutions," *Entrepreneurship Theory and Practice*, vol. 39, no. 5, pp. 1213–1246, 2015, doi: <https://doi.org/10.1111/etap.12105>.
- [5] CB Insights, "State of CVC," 2024. [Online]. Available: <https://www.cbinsights.com/research/report/corporate-venture-capital-trends-2021/>

- [6] H. Chesbrough, C. L. Tucci, E. Polytechnique, and F. De Lausanne, "Corporate Venture Capital in the Context of Corporate Innovation," *Policy Strategic Management Journal Academy of Management Journal*, 2002, [Online]. Available: <http://cdm.epfl.ch>
- [7] M. G. Colombo, D. D'Adda, and A. Quas, "The geography of venture capital and entrepreneurial ventures' demand for external equity," *Res Policy*, vol. 48, no. 7, pp. 1150–1170, 2019, doi: 10.1016/j.respol.2021.104246.
- [8] V. Gaba and A. D. Meyer, "Crossing the Organizational Species Barrier: How Venture Capital Practices Infiltrated the Information Technology Sector," *Academy of Management Journal*, vol. 51, no. 5, pp. 976–998, Oct. 2008, doi: 10.5465/amj.2008.34789671.
- [9] N. Islam, G. Stanley, and A. Daniel, "External Complexities in Discontinuous Innovation-based R & D Projects :," *Technol Forecast Soc Change*, vol. 155, 2019.
- [10] A. Matisone and N. Lace, "The impact of public interventions on self-sustainable venture capital market development in latvia from the perspective of VC fund managers," *Journal of Open Innovation: Technology, Market, and Complexity*, vol. 6, no. 3, pp. 1–15, 2020, doi: 10.3390/JOITMC6030053.
- [11] P. A. Gompers, "Corporations and the Financing of Innovation: The Corporate Venturing Experience," 2002.
- [12] G. Dushnitsky and L. Yu, "Why do incumbents fund startups? A study of the antecedents of corporate venture capital in China," *Res Policy*, vol. 51, no. 3, Apr. 2022, doi: 10.1016/j.respol.2021.104463.
- [13] Y. Yang, V. K. Narayanan, and D. M. De Carolis, "The relationship between portfolio diversification and firm value: The evidence from corporate venture capital activity," *Strategic Management Journal*, vol. 35, no. 13, pp. 1993–2011, Dec. 2014, doi: 10.1002/smj.2190.
- [14] Y. K. Ingyu Oh and Y. K. Kim, "A new global division of labour in venture capital flows: Coupang's IPO success at the New York Stock Exchange," *Asia Pacific Business Review*, vol. 29, no. 2, pp. 279–298, 2023, doi: 10.1080/13602381.2022.2034297.
- [15] J. Van Angeren and A. Karunakaran, "Anchored Inferential Learning: Platform-Specific Uncertainty, Venture Capital Investments by the Platform Owner, and the Impact on Complementors Forthcoming in Organization Science," *Organization Science* 34(3):1027-1050., 2022, doi: <https://doi.org/10.1287/orsc.2022.1607>.
- [16] J. Y. (Rose) Kim, H. K. Steensma, and H. D. Park, "The Influence of Technological Links, Social Ties, and Incumbent Firm Opportunistic Propensity on the Formation of Corporate Venture Capital Deals," *J Manage*, vol. 45, no. 4, pp. 1595–1622, Apr. 2019, doi: 10.1177/0149206317720722.
- [17] E. Jeon and M. Maula, "Progress toward understanding tensions in corporate venture capital: A systematic review," *J Bus Ventur*, vol. 37, no. 4, p. 106226, 2022, doi: <https://doi.org/10.1016/j.jbusvent.2022.106226>.
- [18] H. B. Sykes, "Corporate venture capital: Strategies for success ," in *Venture Capital*, Routledge, 2022. , 2022, pp. 491–501.
- [19] F. Shuwaikh, S. Brintte, and S. Khemiri, "The impact of dynamic ambidexterity on the performance of organizations: Evidence from corporate venture capital investing in North America," *J Econ Behav Organ*, vol. 200, pp. 991–1009, Aug. 2022, doi: 10.1016/j.jebo.2022.07.012.
- [20] P. Haslanger, E. E. Lehmann, and N. Seitz, "The performance effects of corporate venture capital: a meta-analysis," *Journal of Technology Transfer*, vol. 48, no. 6, pp. 2132–2160, Dec. 2023, doi: 10.1007/s10961-022-09954-w.
- [21] T. Teppo and R. Wüstenhagen, "Why corporate venture capital funds fail – evidence from the European energy industry," *Management and Sustainable Development*, vol. 5, no. 4, pp. 353–375, 2009.
- [22] A. Griva, D. Kotsopoulos, A. Karagiannaki, and E. D. Zamani, "What do growing early-stage digital start-ups look like? A mixed-methods approach," *Int J Inf Manage*, vol. 69, p. 102427, Apr. 2023, doi: 10.1016/j.ijinfomgt.2021.102427.
- [23] S. A. Hill and J. Birkinshaw, "Ambidexterity and Survival in Corporate Venture Units," *J Manage*, vol. 40, no. 7, pp. 1899–1931, Nov. 2014, doi: 10.1177/0149206312445925.
- [24] G. Dushnitsky and M. J. Lenox, "When do firms undertake R&D by investing in new ventures?," *Strategic Management Journal*, vol. 26, no. 10, pp. 947–965, Oct. 2005, doi: 10.1002/smj.488.
- [25] S. A. Anokhin, M. Hess, and J. Wincent, "Technology sourcing ambidexterity in corporate venture capital: limitations of learning from open innovation," *Small Business Economics*, 2024, doi: 10.1007/s11187-024-00900-8.
- [26] T. Kohler, "Corporate accelerators: Building bridges between corporations and startups," *Bus Horiz*, vol. 59, no. 3, pp. 347–357, May 2016, doi: 10.1016/j.bushor.2016.01.008.
- [27] T. Wang, "The ownership structure of corporate venture capital financing and innovation," *Technovation*, vol. 123, May 2023, doi: 10.1016/j.technovation.2023.102736.

- [28] J. Yao and D. Wang, "The impact of analyst attention on the firms' innovation paths from a life cycle perspective: Evidence from China," Aug. 01, 2023, *Elsevier Ltd.* doi: 10.1016/j.heliyon.2023.e18940.
- [29] R. Katila, J. D. Rosenberger, and K. M. Eisenhardt, "Swimming with Sharks: Technology Ventures, Defense Mechanisms and Corporate Relationships," *Adm Sci Q*, vol. 53, no. 2, pp. 295–332, Jun. 2008, doi: 10.2189/asqu.53.2.295.
- [30] S. Kim and Y. Paik, "How Does Policy Uncertainty Affect Corporate Venture Capital Investments?," *Academy of Management Proceedings*, vol. 2022, no. 1, pp. 31–33, 2022, doi: 10.5465/ambpp.2022.14656abstract.
- [31] Rucevska Marija, "The current landscape for Latvian market," Riga, Mar. 2023.
- [32] D. R. Clough, T. P. Fang, B. Bala Vissa, and A. Wu, "Turning lead into gold: How do entrepreneurs mobilize resources to exploit opportunities?," *Academy of Management Annals*, vol. 13, no. 1, pp. 240–271, Jan. 2019, doi: 10.5465/annals.2016.0132.