

THE JOINT **ACERE-DIANA** INTERNATIONAL ENTREPRENEURSHIP CONFERENCE

31 JAN – 3 FEB 2012

The University of Notre Dame Australia
Fremantle, Western Australia



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Message from Conference Organising Committee

Welcome to ACERE-DIANA 2012!

For the first time this conference is held under the name ACERE – the Australian Centre for Entrepreneurship Research Exchange - and under the stewardship of the QUT Business School. This continues the proud tradition of an Australian-based, high quality, annual conference in entrepreneurship, previously known as “AGSE-IERE”.

This 2012 meeting is organized jointly with the world-leading DIANA conference on women’s entrepreneurship. The Diana Project was established in 1999 to raise awareness and expectations of women business owners regarding the growth of their firms. This is the first DIANA Conference to be held in Australia. For ACERE, and its forerunner, it is also the first meeting in Western Australia.

We wish you a hearty welcome to a great conference experience at ACERE-DIANA and trust that you will also enjoy Fremantle and its surroundings.

Per Davidsson
Alicia Castillo Holley
John Watson

on behalf of the
ACERE-DIANA
organising committee

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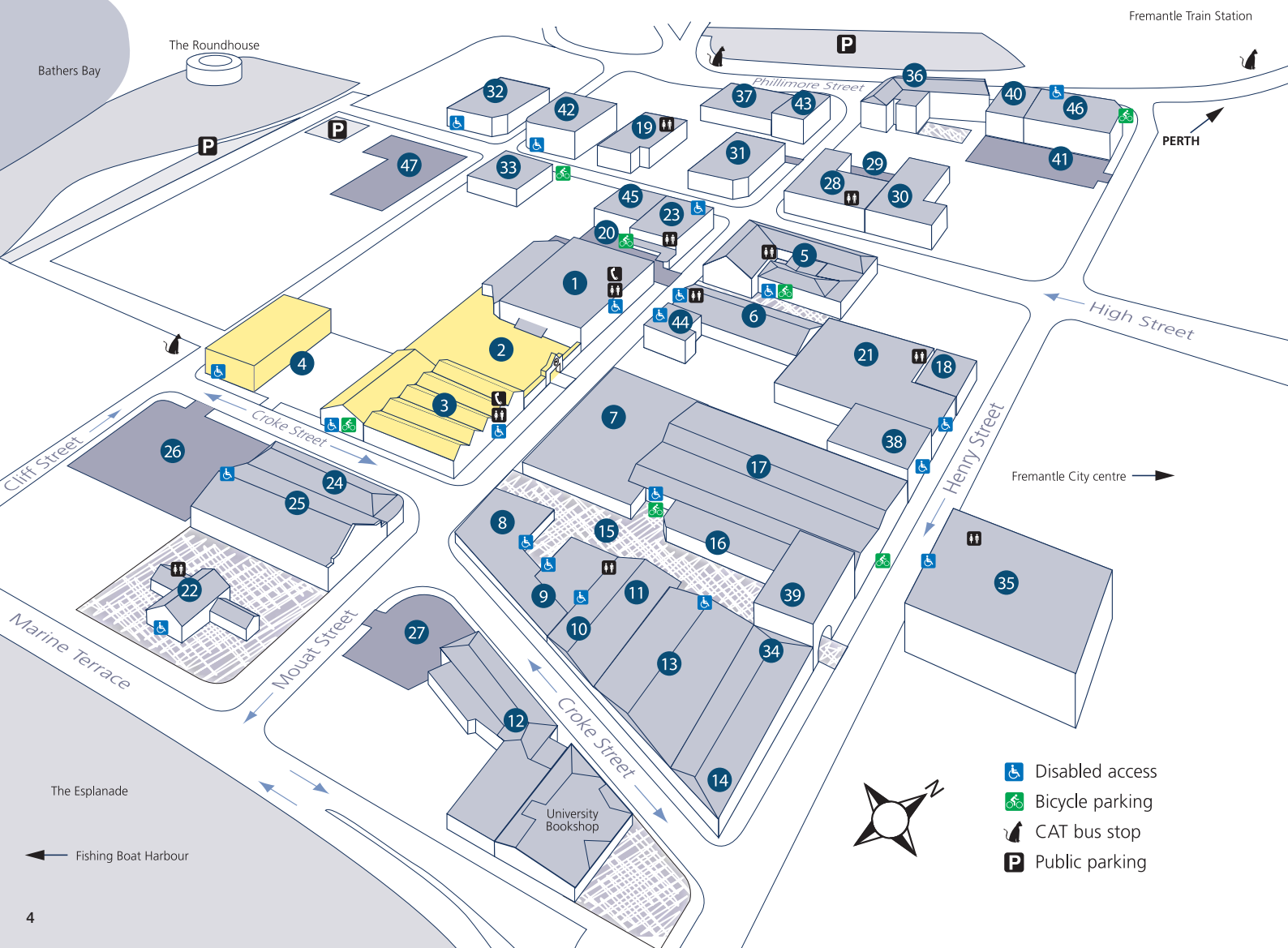
GENERAL INFORMATION

CONFERENCE VENUE

The University of Notre Dame Australia
ND4, Tannock Hall of Education
44 – 48 Cliff Street
Fremantle WA
T: 9433 0555
W: www.nd.edu.au



CAMPUS MAP





ND1 Foley Hall

- > Vice Chancellery
- > Fees Office
- > General Counsel
- > Office of Communications & Media
- > Staffing Office
- > Student Administration
- > University Relations & Development
- > University Reception
- > Bridget Faye Room
- > Chancellors' Room
- > Classrooms
- > Foley Hall
- > Helen Lombard Room
- > Santa Maria Lecture Theatre

ND2 Malloy Courtyard

ND3 Prindiville Hall

- > Communications Laboratory
- > Performing Arts Centre
- > Student Association Offices
- > Student Common Room

ND4 Tannock Hall of Education

ND5 P&O Hotel

- > Classrooms
- > Student Residence
- > Staff Flat

ND6 Student Recreation Hall

ND7 St Teresa's Library

- > Library Staff
- > Open Access Computers
- > Reading Rooms

ND8 Holy Spirit Chapel

ND9 Student Life Office

- > Campus Ministry/Chaplain
- > Careers & Counselling Office

ND10 Freehills Law Lecture Hall

ND11 School of Law

- > Academic Offices
- > Lecture Rooms
- > Dean's Office

ND12 Port Lodge

- > Student Residence
- > Hesburgh Room
- > University Bookshop

ND13 Craven Law Library

ND14 School of Law

- > Academic Offices
- > Tutorial Rooms

ND15 Bateman Courtyard

ND16 School of Medicine

- > Classrooms

ND17 St Teresa's Library:

- Arts & Sciences
- Business
- Education
- Philosophy & Theology
- Reference Library

ND18 Academic Offices

ND19 School of Arts & Sciences

- > Counselling
- > Academic Offices

ND20 Staff Parking

ND21 St John of God Hall

- > General Classroom Block

ND22 Court House

- > School of Law Courtroom
- > Drill Hall Courtyard

ND23 Admissions Office Prospective Students Office Finance Office (first floor)

ND24 Registrar's Office Academic Services

ND25 The Drill Hall

- > Ceremonial, Lecture & Conference Hall

ND26 Staff Parking

ND27 Staff Parking

ND28 School of Philosophy & Theology

- > Academic Offices
- > Dean's Office

ND29 Staff Parking

ND30 Cleopatra Hotel

- > Student Residence

ND31 Physiotherapy Laboratory

ND32 School of Arts & Sciences

- > Science Laboratories
- > Academic Offices

ND33 IT Services

ND34 School of Medicine

- > Reception
- > Academic Offices
- > Dean's Office

ND35 School of Medicine

- > Clinical Training Laboratories
- > Classrooms & Lecture Theatre
- > Academic Offices
- > Michael Quinlan Room
- > Roy & Amy Galvin Medical Library
- > Associate Dean's Office

ND36 His Majesty's Hotel School of Education

- > Religious Education
- > Computer Laboratories
- > Academic Offices
- > Classrooms
- > Dean's Office

ND37 School of Nursing

- > Doreen McCarthy Nursing Laboratory
- > Helen Court Nursing Laboratory
- > Classrooms
- > Academic Offices
- > Dean's Office

ND38 School of Medicine

- > Resource Room
- > Anatomy Laboratory

ND39 School of Medicine

- > Academic Offices

ND40 School of Health Sciences

- > Biomedical Science
- > Exercise Science
- > Health & Physical Education
- > Physiotherapy Academic Offices
- > Dean's Office

ND41 Staff Parking

ND42 Fremantle Hotel

School of Arts & Sciences (first floor)

- > Academic Offices
- > Dean's Office

School of Business (second floor)

- > Accounting & Finance
- > Management & Marketing
- > Classrooms
- > Dean's Office

Chancellery

- > Fairweathers Bar
- > John Paul II Room
- > Michael Keating Room
- > Visiting Staff Flat
- > Carolyn Tannock Courtyard

ND43 School of Nursing

- > Academic Offices
- > Classrooms

ND44 Academic Enabling and Support Centre

ND45 Campus Services Office

ND46 Health Sciences Research

- > Institute for Health & Rehabilitation Research
- > John Bloomfield Exercise Science Laboratory
- > Preventive Health Research Clinic
- > Lecture Theatre
- > Research Training Lecture Theatre
- > Seminar Rooms
- > Academic Offices

School of Physiotherapy (second floor;

- > Physiotherapy Training & Research
- > Brian Edwards Physiotherapy Sciences Laboratory
- > Neurosciences Laboratory
- > LifeSpan Sciences Laboratory

ND47 Staff Parking

VISITORS TO FREMANTLE

Fremantle is one of the easiest cities in the world to explore by foot, bicycle or scooter. All leading attractions are located in close proximity and the 'free' Fremantle CAT bus which completes regular circuits (every 15 minutes) around the City of Fremantle, stopping at popular places of interest and offering easy access to major attractions and venues.



BANKS & ATMs

Most major banks, including automatic teller machines are located in the Fremantle City Centre.

CAR RENTAL

Budget Rent a Car:	13 27 27
Hertz:	133 039
Avis:	13 63 33

CHILD CARE

Please note that no official arrangements have been made for child care during the Conference. Please check with your hotel who may be able to assist you further with babysitting services during your stay.

DRESS

Conference Sessions:	Smart Casual
Doctoral Consortium:	Smart Casual
Social Functions:	Smart Casual

INDEMNITY

Should for any reason outside the control of the Conference Organisers, the venue or speakers change, or the event be cancelled, the Conference Organisers shall endeavour to reschedule, but the client hereby indemnifies and holds the Conference Organisers including but not limited to the Host, Organising Committee and EECW Pty Ltd harmless from and against any and all costs, damages and expenses. This agreement is subject to the laws of Australia and a registration submission ensures acceptance of this indemnity.

MEALS

All morning and afternoon tea breaks will be served in the Tannock Hall of Education. Lunch will be served in Prindiville Hall (access on the corner of Croke St and Mouat St).

Special Dietary Requirements: If you have requested a special meal, please make yourself known to the catering staff who will be able to assist.

MESSAGES

The Conference Secretariat will receive all messages, which can be collected from the registration desk. The following contact number can be provided for messages: 0424 408 799.

The Secretariat will accept no responsibility for undelivered messages.

NAME BADGE

It would be appreciated if delegates wear their name badge at all times during the Conference as this identifies them as eligible for catering and entry to Conference Sessions.

PRIVACY STATEMENT

In registering for this event relevant details may be incorporated into a delegate list for the benefit of major sponsors, exhibitors, EECW Pty Ltd and other parties directly related to the Conference. Should you wish for your details not to be included in this list, please inform the Registration Desk on site at the Conference.

PROGRAM

An up to date program is available at the registration desk.

REGISTRATION DESK

The Registration Desk will be located in the main foyer of the Tannock Hall of Education and will be staffed as follows:

Wednesday 1 February 2012	08.00–18.00
Thursday 2 February 2012	08.00–17.00
Friday 3 February 2012	08.00–17.00

SECRETARIAT

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- 
- 1 Conference Venue
 - 2 Maritime Museum
 - 3 Esplanade Hotel
 - 4 Quest Harbour Village
 - 5 Rosie O'Grady's
 - 6 Little Creatures

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SPEAKERS PREPARATION ROOM

A Speakers Preparation Room has been set up for the duration of the Conference in room 203.

Presenters will have access to PCs and internet, to assist with preparing for presentations.

USEFUL LOCAL NUMBERS

The Esplanade Hotel Fremantle:
+61 8 9432 4000

Quest Harbour Village Apartments:
+61 8 9430 3888

Rosie O'Grady's: +61 8 9335 1645

Swan Taxis: 13 13 30

Bus & Rail Information: 13 62 13

KEYNOTE SPEAKERS



PROFESSOR DEAN SHEPHERD

**Randall L. Tobias Chair in Leadership
Professor of Management and
Entrepreneurship
Kelley School of Business,
Indiana University, USA**

Dean Shepherd is the Randall L. Tobias Chair in Leadership and Professor of Management and Entrepreneurship at the Kelley School of Business, Indiana University. Dean received his doctorate and MBA from Bond University (Australia). In 2010 Dean was appointed Adjunct Professor to the Australian Centre for Entrepreneurship Research, at the Queensland University of Technology. His research is in the field of entrepreneurial leadership; he investigates both the decision making involved in leveraging cognitive and other resources to act on opportunities and the processes of learning from experimentation, in ways that ultimately lead to high levels of individual and organizational performance.

Dean has published, or has accepted for publication, approximately 90 papers primarily in the top entrepreneurship journals (Journal of Business Venturing and Entrepreneurship Theory & Practice), the top general management journals (Academy of Management Review, Journal of Management, Management Science, Organization Science and the Strategic Management Journal), top general operations journals (European Journal of Operational Research) and top psychology journals (Journal of Applied Psychology). He is also the editor in-chief of the Journal of Business Venturing (the leading journal on entrepreneurship) and on the review board for numerous management and entrepreneurship journals.



DR PATRICIA GREENE, Ph.D., MBA

**President's Distinguished Professor of
Entrepreneurship
Co-Founder, Diana Project
Center for Women's Business Research,
Board Member
IC2 Fellow, University of Texas at Austin**

Patricia G. Greene is Professor of Entrepreneurship of Babson College, where she holds the President's Distinguished Chair in Entrepreneurship. She previously served as Provost, and before that as the Dean of the Undergraduate School. Prior to joining Babson she held the Ewing Marion Kauffman/Missouri Chair in Entrepreneurial Leadership at the University of Missouri – Kansas City (1998-2003) and the New Jersey Chair of Small Business and Entrepreneurship at Rutgers University (1996-1998). Dr. Greene earned a Ph.D. from the University of Texas at Austin, an MBA from the University of Nevada, Las Vegas, and a BS from the Pennsylvania State University. She was a founding member of the Rutgers Center for Entrepreneurial Management and the coordinator of the Rutgers Entrepreneurship Curriculum. At Babson, her current assignment is to serve as the National Academic Director for the Goldman Sachs 10,000 Small Businesses initiative and advisor to the 10,000 Women program.

Patti's research focuses on the identification, acquisition, and combination of entrepreneurial resources, particularly by women and minority entrepreneurs. She is a founding member of the Diana Project, a research group focusing on women and the venture capital industry.

Patti is the Board Chair for the Center for Women's Business Research, and serves on the advisory boards of Enterprising Women, the National Association of Women Business Owners, and Key Bank's Key4Women. She is an appointed member of the national advisory board for the Small Business Administration's Small Business Development Center program. She is a fellow of the IC2 Institute at the University of Texas at Austin and the Special Academic Advisor for the Guardian Life Small Business Research Institute.

SOCIAL PROGRAM



WELCOME RECEPTION

Tuesday 31 January 2012

18.00 – 20.00

**Malloy Courtyard
The University of Notre Dame
Australia, Fremantle**

On the Tuesday evening (at the end of the first day of the Doctoral Consortium and before the Conference proper begins) there will be a Welcome Reception held at the University of Notre Dame. This function will provide the perfect opportunity for delegates to catch up with colleagues, renew past acquaintances and make new contacts in a relaxed atmosphere.

SOCIAL COCKTAIL FUNCTION

Wednesday 1 February 2012

19.00 – 22.30

**Western Australian Maritime Museum,
Fremantle**

Conference delegates will have the opportunity to share ideas in the relaxed setting of the Western Australian Maritime Museum in Fremantle. Perched on the Indian Ocean's shore, the Museum is symbolic of Fremantle's past, present and future as a coastal city and port.

The Museum houses several unique galleries that explore WA's relationship with the sea. From leisure boats and handcrafted sailing boats to commercial pearl luggers, the Museum inspires visitors to discover WA's affinity with the ocean. The Museum is home to the winning America's Cup yacht, Australia II, an Oberon class submarine – HMAS Ovens, Jon Sanders' Parry Endeavour and many other iconic vessels from WA's maritime history.

The Museum will be open for delegates to take an unguided tour from 18.30 until 19.00.

CONFERENCE DINNER

Thursday 2 February 2012

19.00 – 23.00

**Sirius/Pleiades Ballroom,
The Esplanade Hotel Fremantle
Corner Marine Terrace
& Essex Street, Fremantle**

Enjoy a fabulous dinner and get acquainted with other Conference delegates, whilst being entertained, wine and dined on the best that Western Australia has to offer. A night not to be missed!

ABSTRACTS

Listed alphabetically by first author



COMPARING ENTREPRENEURSHIP POLICY IN DIFFERENT WELFARE STATE REGIMES: LESSONS FROM A GENDER PERSPECTIVE

Ahl H¹

¹ School of Education and Communication,
Jönköping University

Principal Topic

Entrepreneurship is by most economies recognized as a key economic driver, and governments therefore have programs to support entrepreneurship. Lately, special programs to support women's entrepreneurship have emerged in many countries, as well as in supranational organizations like the European Union. When women are addressed, motivations, issues, questions, and also the design of the programs tend to change. Moreover, as care is in most places a woman's job, life outside of business in terms of family, children and other dependents makes itself reminded. Consequently, research on women's entrepreneurship must address not only questions of business, but also questions of how life as a whole is organized. The latter tends to vary between countries.

This paper compares policy for women's entrepreneurship in two countries with very different ways of understanding and organizing the common. Sweden has a Scandinavian, or Social democratic welfare state regime, in which many services like daycare, elder care, parental leave, schooling, education etc., are administered by the government and financed through the tax system. The United States has a liberal welfare state regime in which most of these services are provided by the market and paid for with private means. Research has since long discussed these regimes' different consequences for women's labor market participation, but little connection has been made to entrepreneurship. As starting a business is also labor market behavior, there is reason for addressing not only how different welfare state regimes affect women's entrepreneurship behavior, but also how policy affects or is affected by such differences. The paper addresses these questions from a feminist perspective, which means that the issue of gender equality is at the forefront.

Method

Policies and programs for women's entrepreneurship in Sweden and in the United States were studied through extensive document analyses (legislation, government reports, program evaluations, government propositions, official statistics, prior research, web pages etc.). Individuals in key positions within the government support programs in both countries were interviewed. Questions were asked not only about the design of and motivation for the programs and their effects, but also about their opinions about special support programs for women. The method resulted in rich descriptive data. The data was thereafter compared between the countries, and interpreted through a feminist theoretical perspective.

Results and Implications

Women's contribution to economic growth is the primary policy argument in both countries. Women start businesses at a lower rate than men, and are therefore seen as an untapped resource. Motivations of gender equality appear, but not in all programs, and not in any prominent place. The design of the programs were similar: training, counseling, mentoring, networking, financing. Differences appeared elsewhere.

First, the USA did not turn out to be role model it is often held up to be. The rate of women's entrepreneurship has grown dramatically since it was first measured in 1972 (from 4,6% to 28%), making US policy an exemplar for the world, but the comparative rate for Sweden was around 25% for the entire period. This rather begs the question of why the US rate was so low in the 1970s. It was hardly US support programs (they were instituted later) but rather anti-discrimination acts passed in 1974 and in 1988, forbidding lenders to discriminate women, that spurred the dramatic increase.

Second, two incomes are today needed to support a family in both countries. Whereas the generous family policy in Sweden in terms of 18 months paid parental leave and public subsidized daycare makes it both desirable and possible for women to take employment, US women cannot always do this as they have to care for dependents. Starting a small business from home is often the only viable solution. This is unlikely to meet governments' expectations of growth and job creation. From a Swedish perspective, women's entrepreneurship in the USA may therefore be regarded as a response to an inadequate welfare system.

Third, government policy for women's businesses in the US, mainly carried out through Women's Business Centers, have a mission to cater to socially and economically disadvantaged women. From a Scandinavian welfare state perspective, this is in lieu of adequate social policy rather than entrepreneurship policy.

However, from a feminist perspective, Swedish government policy for women's entrepreneurship is hardly an exemplar. The neo-liberal turn in politics beginning in the 1990s is downsizing and privatizing the public sector, which in Sweden employs mostly women. Women are therefore encouraged to start small businesses in their lines of trade – education, care and services – as these are privatized, solving their own unemployment problems while doing the same jobs as before but cheaper.

Neither country's policy addresses the unpaid work predominantly done by women. The current change of the Swedish system does not change the gendered division of work, with women still in the low paid caring sector, whether in public or private employment. And neither country's policy says anything about the need for men to change – they only address women. So the policies do not challenge the current gender order.

The implications are the following: 1) A reinforced welfare system is more likely to support women's entrepreneurship and gender equality than a down-sized one. 2) As special support programs for women tend to side-order women, governments should instead make the ordinary programs equally welcoming to men and women. 3) Addressing men's participation in unpaid domestic work is most likely more effective than entrepreneurship policy if aiming for gender equality.

INCUBATION FOR ALL? BUSINESS INCUBATION AND GENDER DIFFERENCES IN NEW FIRM PERFORMANCE

AmezcuA A¹, McKelvie A¹

1 Syracuse University

Principal Topic

Historically, the rate of women participation in new venture creation has been disproportionately less than men (Shane, 2008). For example, women only constitute 27% of new business owners despite their larger participation in the workforce. Also they are 50% less likely to be involved in starting a new business at any point in time than men (Shane, 2008). Not only are women less involved in entrepreneurship, their businesses tend to underperform (Ahl, 2006). There is much evidence that women-owned businesses grow at a lower rate, employ fewer people, are less profitable, and fail more often than those owned by men (Fairlie & Robb, 2008; Robb, 2002). A number of gender-based arguments have been brought forward concerning why these differences occur and continue to persist over time. These arguments include the specific motivations for starting a firm (Carter et al., 2003), the ability to attract external resources (Brush et al., 2002; Alsos, Isaksen & Ljunggren, 2006), attitudes towards growth (Cliff, 1998), attraction to male- or female-dominated industries (Anna, Chandler, Jansen & Mero, 2000), and contextual factors that deter women from pursuing new venture creation (Minniti, 2007).

Noting that business incubation receives substantial attention in the entrepreneurship literature as programs that help entrepreneurs overcome start-up risks (Phan, Siegel & Wright, 2005), this paper examines to what extent incubation effects differ between women and men founders. We define incubators as facilities that offer adaptable space at reduced rates that new businesses can lease on flexible terms. Furthermore, incubators often provide business consulting services to their tenants in the areas of financing, management, and marketing (Sherman & Chappell, 1998). Additionally, incubators differ from other business development programs such as accelerators and virtual incubators which primarily offer business consulting and training but not operating space.

Because research shows that women respond positively to incentives and feedback when starting a business (Minniti, 2007) and incubators exist to guide entrepreneurs through the pitfalls of starting a business, we examine whether business incubators can generate differential firm performance among women-owned businesses relative to men-owned businesses. In this paper, we integrate the incubator and women's entrepreneurship literatures and examine if incubation reduces persistent gender-based firm performance discrepancies. We empirically compare men-owned incubated firms, men-owned unincubated firms, women-owned incubated firms, and women-owned unincubated firms. We offer findings that help untangle the complex relationships between entrepreneurs, firm performance, and institutional levers to improve the distribution of scarce entrepreneurship funding and to help theories on new venture performance better address these multi-level relationships.

Method

We use a unique longitudinal dataset covering the entire spectrum of business incubators and their tenants in the United States. This national census of business incubators and their tenants consists of three sub-sets: 1) a database of all business incubators, 2) a database of all firms incubated at these business incubators, and 3) a representative comparison group of businesses that were not incubated. This substantial database contains 18,400 incubated businesses, of which 1,150 are women owned, as well over 28,300 unincubated businesses, of which 1,800 are women owned. Further, the dataset spans 18 years, allowing us to draw advanced implications concerning the short- and long-term effects of incubation on new ventures. This rich dataset also helps overcome many important methodological challenges related to selection and survival bias, autocorrelation, and endogeneity. Moreover, by examining the entirety of incubated firms and a representative sample of unincubated firms, we can potentially circumvent many of the industry-based gender difference arguments for firm performance differences (e.g. that women entrepreneurs are primarily attracted to certain industries).

Taking into account past research which argues that men and women differ in their career ambitions when owning a business (Eddleston & Powell, 2008), our models specifically examine the impact of incubation on a firms' survival, sales growth, and employment growth. These dependent variables have been shown to be the most appropriate performance variables in new venture research (Short, McKelvie, Ketchen & Chandler, 2009). Further, we account for the heterogeneity among incubator types by controlling for the incubator's mission (i.e. nonprofit or profit), its university status, and its network size.

Results and Implications

Our research shows many important results, which offer important new avenues for future research. We find that incubated firms perform better than unincubated firms, a finding resonates with the literature. However, the impact of incubation on women-owned firms is larger than that on men-owned firms, such that women-owned firms have 440% higher employment growth than their non-incubated female counterparts (compared to 4% higher employment growth for men). Further, the impact of incubation on women-owned firms increases to a level that is greater than their men-owned unincubated counterparts. Women-owned firms face a likelihood of closure that is 13% lower and achieve 514% higher employment growth than men-owned unincubated firms. These differences sustain over time, where women-owned firms retain their higher employment, survival, and sales growth post-incubation. These findings deviate from the literature, which generally shows better performance for men-owned firms. Finally, we find that there are differences in performance effects depending on the type of incubator. Non-profit incubators, offering services primarily focused on coaching, networking, and training, and oftentimes with lower costs of entering the incubators (Grimaldi & Grandi, 2005; Peters, Rice, & Sundararajan, 2004) are the most beneficial for women. We provide implications for further research in the areas of women's entrepreneurship, incubator policy, and new venture growth.

THE IMPACT OF GENDER SPECIFIC ENVIRONMENT ON LEARNING AND ENTREPRENEURIAL BEHAVIOR OF WOMEN BY USING START-UP SIMULATIONS - NEW EVALUATION RESULTS

Auchter E¹, Kriz W², Wittenzellner H³

1 University Of Appl. Science Regensburg

2 University of Appl. Science Dornbirn (Austria)

3 University of Applied Sciences HDM, Stuttgart

Principal Topic

Since about 5 years we have carried out a series of four evaluation studies in the area of entrepreneurship education with business games, which simulate start - up business processes. Research objective of one part of the studies is to which extend the goals of these courses - to foster entrepreneurial competencies and inspire participants to start up their own company – could be reached. In these courses the entire process of starting a new venture is simulated: From writing a business plan up to managing a start-up company with an entrepreneurial team in a competitive environment. Apart from other results, significant differences due to gender aspects have been identified.

We found out gender specific differences in form of lower interest of women in starting up a business after the simulation seminar. Some selected important results are: In comparison to men women demonstrate less inclination to take risks; their leadership orientation is less pronounced and the role adoption of an entrepreneur in the simulation game was less frequent. To work within a team and the confrontation with the competitive situation was not that satisfying in comparison to male seminar participants. Our research design by building same gender teams in the simulation seminars in order to limit “male” restricting factors in teamwork, leadership ambitions, etc. did not show significant effects on the start up motivation of women and the related factors influencing this.

On the basis of this insight, we started a new study (study 5) with gender specific changes of the environmental factors to diminish the “negative” impact on the development of entrepreneurial competencies and motivation of female participants:

1. Same gender seminars, that means all participants are women
2. Different simulation game scenarios that are more attractive for women
3. Better debriefing structures, that take into account the enhanced interest of women in reflecting the group dynamics and leadership behaviour in the teams. (Debriefing as a process which reflects the participants simulation experience and transfers its learning effects)

Methodology and Propositions

We put into practice the theory based evaluation approach on the basis of a logic model. It provides a framework for the interpretation of what takes place during the start-up simulation. Such a logic model consists of various variables, which can be classified under the three components prerequisites (input), processes (actions), and effects (output or outcome), and their reciprocal dependencies and mutual relations.

The logic model also helps to identify those elements that are responsible for learning processes or for the fact that learning does not take place. All variables of the logic model were derived from previous research that among others provided the theoretical concepts. In addition, all factors of that logic model are measured through questionnaires, tests, and interviews with participants (students) and facilitators. Measurements are taken before, during, and after the simulation seminars.

Results and Implications

As pointed out above, Study 5 is taking place in 2010/2011. In these seminars for students, only female participants are attending the seminar. As well the instructors are female. Additional a new simulation model is used and the debriefing methods have been adapted. The debriefing should support to satisfy the “content orientation” of women - in contradiction to the “competition orientation” of men - in an entrepreneurial simulation situation.

The actual sample results covers two seminars only with N=36 female students. Two further seminars (approximately 40 participants) will take place until the end of the year. However the results of this actual sample analysis show positive learning and motivational effects for female students in contradiction to the former study results:

- Better satisfaction and motivation in the team; better assessment of teamwork situation
- Better assessment of the simulation. It is evaluated to be close to reality and practice
- Better satisfaction with debriefing and own learning.
- Assessment of an increase of own social, personal, methodical and technical / professional competencies through participating in the simulation seminar
- A Better entrepreneurial motivation of the participant has been identified

All results are significant, although they will be proved by a larger sample. The results will be available by the end of this year and presented at the conference.

PROJECT-BASED ORGANIZATION AS ADAPTATION TO RISK AND OPPORTUNITY IN SMALL FIRMS

Bakker R¹, Knoben J², Schwab A³, Oerlemans L⁴

¹ Queensland University of Technology,

² Tilburg University

³ Iowa State University

⁴ Tilburg University/ University of Pretoria

Projects are risky. From the Hollywood production *Heaven's Gate* that bankrupted an entire film studio to the construction of the Sydney opera house, project fiascos have been documented extensively (see, for instance, Bach, 1999; Murray, 2004). One major cause that has been forwarded as underlying the persistence of project failures is that organizations fail to sufficiently learn from projects (Prencipe & Tell, 2001; Schwab & Miner, 2008). Such arguments are often rooted in evolutionary economics, which sets forth the argument that the survival and growth of organizations is to an important extent determined by firm-specific competencies and dynamic capabilities (e.g. Dosi, 1982; Nelson & Winter, 1982). These are the result of learning processes that determine the firm's ability to integrate, build, and reconfigure itself to address rapidly changing environments (Teece et al., 1997: 516). From this evolutionary economics perspective, it has been suggested that by their temporary and discontinuous nature, projects disrupt the systematic process of how organizational operating routines slowly evolve by learning through continuous performance feedbacks (Cacciatori, 2008; Davies & Brady, 2000; Scarbrough et al., 2004). This is generally argued to complicate learning from projects, which in turn causes failure (Enberg et al., 2006; Swan et al., 2010). For small firms, these problems are likely to be aggravated for the following reasons. For one, small firms are generally argued to be characterized by owner-management, liabilities of smallness and resource deficits, and relatively high uncertainty (Anderson & Boocock, 2002). As a consequence, even while the same individuals may be included in successive projects, learning processes within SMEs tend to be informal, experiential, tacit, and mainly focused toward the short-term needs that are set by the owner-manager (Dalley & Hamilton, 2000; Nooteboom, 1994). This makes SMEs a research setting in which the opportunities and obstacles involved in project-based learning and adaptation are likely even more pronounced.

Still, organizational participation in flexible inter-organizational projects seems to be exploding (Whitley, 2006; Whittington et al., 1999), and the body of literature studying them is growing at an exponential rate (Bakker, 2010). Considering

the many alternatives that SMEs have in "getting things done", and the obvious learning challenges that inter-organizational projects pose, this triggers the question: which types of SMEs, under which types of environmental conditions, are likely to form inter-organizational projects? We in the present article suggest that the answer might lie within the same theoretical domain that explains the learning obstacles to projects. While evolutionary economics can be used as a basis to argue that projects cause significant challenges in the accumulation of knowledge and sedimentation of routines, evolutionary economics at the same time highlights the virtue of adaptation, suggesting that learning "normally [...] entails more or less temporary [...] adaptation to what are perceived to be the prevailing environmental constraints and opportunities, and also a lot of systematic errors, trials, and discoveries (Dosi & Nelson, 1994: 158). Because of the distinct characteristics of inter-organizational projects as temporary organizational forms (Bechky, 2006), we will in the present paper argue that such "environmental constraints and opportunities" can be important drivers of project formation. This would imply that whereas projects can provide significant challenges in knowledge retention, they also might provide opportunities for small firm adaptation to environmental events.

There are three main ways in which our approach extends extant work. First, by considering the adaptive strengths of project participation we believe we offer a more balanced theoretical extension of evolutionary economics to project-based organization than prior research which has primarily focused on learning obstacles. In addition, by relating the process of adaptation specifically to the temporality of projects, we respond to recent calls to bestow a more prominent focus on time in the study of flexible and project-based organization (e.g. Jones & Lichtenstein, 2008; Mohammed & Nadkarni, 2011; Schwab & Miner, 2008). Second, this article draws on large scale quantitative data in order to systematically study the phenomenon of inter-organizational project participation. As such, we attempt to complement and generalize from prior work in this domain, which has been primarily engaged with qualitative studies of individual cases (e.g. Bechky, 2006; Cacciatori, 2004; Dahlander & O'Mahoney, 2011; Grabher, 2004). Third, our focus is the participation by small and medium sized enterprises (SMEs) in inter-organizational projects, whereas existing work has mainly studied projects undertaken within and between large firms (e.g. Bredin & Söderlund, 2007; Lichtenthaler, 2010; Lindkvist et al., 1998). Especially for such large firms, the relative importance of sedimenting the accumulated experience of the many concurrent projects they run is crucial to develop routines (Brady & Davies, 2004). This might explain why the adaptive capacity of projects in the face of opportunities and threats that is the main subject of our work, has received relatively less attention than the knowledge sedimentation obstacles to projects.

THE MODERATING EFFECT OF ENVIRONMENTAL DYNAMISM ON THE RELATIONSHIP BETWEEN ENTREPRENEURIAL ORIENTATION, INNOVATION CAPABILITY AND PERFORMANCE IN SMALL SERVICES SECTOR FIRMS

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Principal Topic

Detailed examination of the conditions under which entrepreneurial orientation (EO) is particularly beneficial or detrimental to firm performance is an area where useful theoretical and empirical contributions can be made. Analysis of a large number of studies of EO has found considerable variation in the magnitude of the correlations between EO and performance. This variance cannot be explained by the various industry samples used in these studies and suggests that a range of variables moderate the strength of the EO-performance relationship (Rauch 2009) - which was proposed by the early literature in this field. In particular, the literature has identified several possible EO-performance moderating variables including external business environment constructs such as environmental dynamism, hostility, and unpredictability as well as internal contextual factors such as resource availability, organisational structure, and culture (Lumpkin & Dess 1996). In this exploratory research, because of the economic, political, and social dynamism associated with the current external environment, we examine to what extent environmental dynamism moderates the EO-performance relationship. We do this with a focus on the hotel industry sector since hotels can be regarded as a barometer of what is happening in the environment since people's perceptions of what is happening in the environment influence whether people dine out and how much they spend. Thus, to attract patrons, hoteliers need to be particularly entrepreneurial and innovative in what they do.

For this reason, in addition to examining the EO – performance relationship, we also evaluate to what extent firm innovation capability (the set of capabilities required to support innovation activities in a firm) influences firm performance as moderated by environmental dynamism. Few empirical studies have examined innovation capability, particularly in the services sector and none have examined the EO-innovation capability-performance relationship in a dynamic business environment. Yet, collectively, service sector firms employ the majority of workers globally and, thus, their sustainability and performance is crucial to economic development and deserves greater attention. The research contributes to existing theory by (1) extending existing research which has tended to focus more on manufacturing firms to the field of small service-based businesses in competitive local markets and (2) examining the three-way inter-relationships between EO, innovation capability, and firm performance, as moderated by environmental dynamism

Methods/Key Propositions

The services sector is comprised of not one, but many, sectors including retail, wholesale, health, and commercial. Each has its own peculiarities. In this research, we focus on the hotel sector - excluding the larger four and five star chains - since hotels (in some countries, these are referred to as “pubs”) are relatively pervasive, have a high profile, they contribute toward local community economic development, are a good barometer of community economic well-being, and have a local market focus. In addition, we chose this sector because there can be wide disparities between lower and higher performing hotels in terms of the innovation activities they adopt and the profits they generate. These businesses are characterized by being largely owner-operated with a small number of full-time employees (typically less than 10) and employ many hourly-paid staff.

In this research, we use a validated innovation capability scale developed specifically for the hotel sector, together with published scales for EO and for environmental dynamism. The underlying model hypothesizes relationships among innovation capability, EO, and firm performance with firm performance being the dependent variable and environmental dynamism being a moderating variable. Environmental dynamism was divided into low and high levels of dynamism. Innovation capability was measured in terms of a validated scale developed for the hotel sector that addressed hotel operations and hotel manager attributes.

The research instrument was sent to the population of 426 hotel managers in South Australia with support from the national hotel industry association. There were 164 useable responses obtained representing a 38.5% response rate. Structural equation modelling using AMOS was used to identify the underlying factor structures and relationships. This resulted in a parsimonious model with reduced items for the EO and innovation capability constructs. Reliabilities exceeded 0.70 and invariance was established with the moderating variable.

Results/Implications

Contrary to theory, our results identify no relationship between entrepreneurial orientation and performance at either low or high levels of environmental dynamism. On reflection, we believe this not to be surprising since the hotel sector is highly regulated. Hotel owner/managers are limited in what they can do in terms of the entrepreneurial exploits they can engage in. For example, innovation is more likely to be incremental than transformational because of the nature of the industry. However, our results demonstrate a significant innovation capability manager attributes-performance relationship for high levels of environmental dynamism but not for low levels. Thus, when the external business environment is dynamic, these service businesses rely largely on their ability to maintain stable operations. When the external business environment is more static, owner-managers can take greater entrepreneurial risks and test their own management capabilities. This presents a picture of businesses that feel they can take risks in their activities only when times are not tough.

Our interpretation of these results is that in a well-established industry where the focus is primarily on local markets, there is little need to engage in entrepreneurial activities. In fact, entrepreneurial activities are engaged only when the external business environment is relatively benign and presents little risks to the business.

INTERNATIONALISATION OF CANADIAN NATURAL HEALTH PRODUCTS (DIETARY SUPPLEMENTS) SMES

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Principal Topic

The internationalisation of SMEs remains an important topic of discussion for governments, business and academics given their significant contribution to national economies, employment and innovation. Canada, one of the most trade intensive of the G-8 countries, with 41% of its GDP and one in every three jobs coming from exports, has made bio-industries health and life science SMEs an international trade priority based upon their importance to future international economic competitiveness (DFAIT, 2011).

The natural health products (NHP) industry segment or the food or dietary supplement industry as it is referred to outside Canada, is valued globally at \$68 billion US and at \$4.6 billion US in Canada. The Canadian industry is comprised of 10,650 small and medium-sized retail and manufacturing firms, 90% of which are privately-held entrepreneurial enterprises, and 75% of which are Canadian-owned. This industry has remained virtually unstudied in the literature. The first study, the results of which are reported here, therefore, investigates the motivations of three different types of natural health product firms to export; identifies obstacles encountered; determines how learning and experience affected them; explores their use of export promotion and other resources such as trade and multicultural networks.

Like pharmaceuticals, every country has its own highly differentiated regulatory requirements for natural health products covering allowable content, regulatory submissions, approval, labeling, advertising, scientific claims, clinical support, pre-market approval, manufacturing site licenses, with which exporting firms must comply (IADSA, 2011). Given the extensive international variation, this can be an expensive and protracted process for SMEs. This study also identifies for the first time, how Canada's unique regulatory model, the Natural Health Product Regulations, introduced between 2004 and 2010 affected exporters and their efforts to internationalise.

Given that Memorandums of Recognition were created subsequent to the introduction of the Canadian Natural Health Product Regulations between the Canadian and Australian governments for these products, this study may also have important international trade implications for the Australian dietary supplement industry as well as other global markets.

Method

This research explores the internationalisation of the Canadian industry using nine case studies of small and medium-sized international new venture firms including two regulatory service consultancies, two service-based firms that act as both ingredient suppliers and contract manufacturers, and five manufacturers with their own brands. Data from an electronic qualitative survey conducted to expand the sample size was not available at the time of developing the outline of this paper; however, a Delphi Panel consisting of two internationally-renowned industry experts and a university academic specialising in internationalisation independently reviewed and agreed with the findings and conclusions of the study.

Results and Implications

Eight of the nine Canadian natural health products SMEs internationalized either upon or within two years of formation, similar to born-globals (Madsen and Servais, 1997), global start-ups (Oviatt and McDougall, 1995), and international new ventures (Oviatt and McDougall, 1994, 1995) and fit the definition of the latter. They viewed the world as one market, entered domestic and foreign markets concurrently or followed domestic clients, confirming previous findings on born-global firms in other industries (Bell, 1995; Madsen and Servais, 1997). In each instance, these firms used a born-global-growing-more-global, sequentially-staged internationalisation process confirming prior literature (Madsen and Servais, 2001; Moen and Servais, 2002); the use of stages (Leonidou and Katsikeas, 1996; Bilkey and Tesar, 1977); and the use of stages and sequential globalization (Johanson and Weidersheim-Paul, 1975; Johanson and Vahlne, 1977, 1990). The data contradict technology-based industry research showing that those firms defy stage theories and sequential globalization (Bell et al, 2004; Oviatt and McDougall, 1997; 2005).

The short-lived nature of psychic distance in born-global firms (Chetty and Campbell-Hunt, 2003) was confirmed. NHP firms, unlike other SMEs, however utilized extensively trade and multi-cultural networks in Canada and internationally, uniquely to: a) accelerate the time required to accumulate knowledge and experiences and access and deepen market penetration, b) overcome psychic distance, risk, and constrained resource obstacles, c) affect foreign market selection, d) locate resources, and e) leapfrog internationalisation stages. This final point confirms Johanson and Vahlne's (1977) findings that firms can skip stages.

The research uniquely found that Canadian NHP firms utilized all network-related internationalisation processes simultaneously to internationalise including Johanson and Mattson's (1988, 1993) network theory, Johanson and Vahlne's (2003) updated Uppsala Model, and the resource-based perspective on network theory (Ruzzier et al, 2006).

The data also confirmed results that the rate of internationalisation increased by building relationships in new markets and connecting to existing networks in other countries, before increasing investment in them, rather than due to any specific strategic or firm-level advantages (Johanson and Vahlne, 2003); that networking becomes more crucial when firms are active in several countries (Forsgren, 2002); and that relationship maintenance is an important issue for small firms to manage (Cooper, 2001).

This study determined that the Canadian government failed to acknowledge its creation of two important domestic non-tariff trade barriers for the industry in the development of its regulatory policies despite the fact that the new regulatory model provided Canadian exporters with significant international competitive advantages, industrial growth, and increased consumer confidence in natural health products or food supplements frequently found to be lacking in other international jurisdictions.

Implications of the research for theory and practice are considered in the conclusion to the paper.

THEORETICAL LEGITIMACY OF 'STRATEGIC ENTREPRENEURSHIP': HOW DOES A FIRM ENGAGE IN ENTREPRENEURIAL EXPLORATION AS WELL AS STRATEGIC CONSOLIDATION?

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Principal Topic

This exploratory theoretical paper revisits the question of whether there is a connection between entrepreneurship and strategy. Jerry Katz, in prefacing Meyer and Heppard's (2000) book, reminds us of strategy scholarship being the parent of entrepreneurship as a field of study and that the child, having grown up, now informs the parent field. The relationship would decide the strength of the new field of 'strategic entrepreneurship' the legitimacy of which has been claimed but not yet established. Theoretically this can be seen in the polar positions of the two areas: on the one hand, the central theme of strategy is "folding the future in" (Prahalad & Krishnan, 2008) preparing to achieve a predicted future scenario, and, on the other hand, that of entrepreneurship is rolling out the present as the future is unpredictable and taking a leap regardless of resources under control (Sarasvathy, 2001; Stevenson & Jarillo, 1990). It is pertinent that here start-up and established businesses environments respectively contextualise the entrepreneurship and strategy literatures. Opportunity formation characterises entrepreneurial behaviour (Venkataraman, 1997) in the context of 'starting-up' exploration, and dominant logic characterises strategic behaviour of firms (Prahalad & Bettis, 1986) in the context of exploiting efficiencies. How do the two meet in 'strategic entrepreneurship'?

The emphasis in strategic management literature of the need to retain entrepreneurial exploration aspects in large firms and in the entrepreneurship literature of developing strategic direction in entrepreneurial firms are important for firm growth (Hitt, Ireland, Camp, & Sexton, 2002; Ireland, Hitt, & Sirmon, 2003; Venkataraman & Sarasvathy, 2001). However, the change from an entrepreneurial character to a strategic character in the growth path of an entrepreneurial firm is yet to be properly understood. This paper argues that this change defines a chasm in a firm's development path, and a fundamental 'DNA change' is needed to cross over.

Key Propositions

Successful entrepreneurial firms in their growth path, crossing over from being fleet-footed small entities to larger entities with established organisational routines, undergo a trade-off from opportunity seeking to advantage seeking behaviour (Ireland et al., 2003). There is a lessening of the exploration propensities of the entrepreneurial firm, and an increasing formation of dominant logic that hones efficiency skills in the firm but also erects blinders (Prahalad, 2004). This process demands a difficult DNA change of the firm, ie, a fundamental change in logic and script, and a firm has to learn to manage such crucial DNA change in its growth path. Often entrepreneurs sell out to large companies without attempting that cathartic DNA change. Understanding this cross-over point is therefore of interest and perhaps critical for the validation of the field of strategic entrepreneurship. It is therefore proposed that:

Proposition 1: A growing entrepreneurial firm will initiate and establish routines in its various functions as well as its governance structure that will build its dominant logic internally and reduce effectual exploration.

This transition period for a growing entrepreneurial firm is expected to be a phase of discontinuity, and thus a period of difficult changes that would often accompany a change in decision maker composition of effectuators and routine builders. However, since the small management team of a growing entrepreneurial firm usually finds it difficult to direct effectual venturing and exploitation routines simultaneously, the growing firm will alternate between the two different logics. Thus:

Proposition 2: The success of growth phase management and the longer term success of the firm will depend upon its pursuing timely increase of one or the other of the two logics, ie, effectual exploration and dominant logic, out of synch.

The above propositions require longitudinal observation of firms through their DNA transition and may show how firms reconcile the fundamental aspect of endogenous means-driven action of rolling out the present in effectuation mode when small, and the exogenous prediction-based strategic action by folding the future in.

A longitudinal study is being undertaken in a technology firm where the effectual exploration events and the routine establishment events are identified and examined. The results are expected to enhance understanding of how a firm manages the opposing logic of routinising for efficiency while keeping its exploration ethos alive during growth. Events over three years are tracked to examine the firm expending resources in process efficiencies while effectuating new opportunities. Relating this with crisis points identified by in its cash flow changes over time shows the firm teeters over the edge in doing this balancing act.

Implications

Several entrepreneurial firms do not make the transition across this "phase change" barrier well. Longitudinal data is expected to indicate how the stages of effectual action and emergence of dominant logic occur during initial growth. How a firm's small team can manage entrepreneurial action and consolidation of strategic direction needed for successful growth as 'strategic entrepreneurship' recommends, may help clarify the theoretical legitimacy of the field of 'strategic entrepreneurship'.

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UNDERSTANDING AND THEORISING SOCIAL VENTURING

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Principal Topic

In the pre-paradigmatic stage of theory building social venturing, or social entrepreneurship, has been explicated through opportunity identification and exploitation as in mainstream entrepreneurship literature. While much of the accompanying debate characterises the “interim struggles” in theorising (Runkel & Runkel cited in Weick, 1995), it has also yielded reflexive isomorphism confounding the theory building effort (Nicholls, 2010). It has been suggested that sponsor motive may hold the key to understanding the domain distinction of social venturing (Bhowmick, 2011).

This paper elaborates the sponsor motive construct and proposes that sponsor motive should be understood as a psychological construct. It further elaborates that from the difference in sponsor motive several discriminating dimensions can be derived on which the two kinds of venturing activity – social and entrepreneurial – are different or even opposite to each other, the understanding of which helps to build theory of social venturing.

Key Propositions

The economic understanding of traditional entrepreneurship assumes self-interest as the motive behind enterprising entrepreneurial action which cannot provide the rationale for sponsor motive in social change action. For the understanding of a psychological construct like motive it is useful to consider established literature in psychology. Recent positive evidence from psychology points to a “paradigm shift” away from the earlier position that behavior that appears to be altruistic must, under closer scrutiny, be revealed as reflecting egoistic motives” (Piliavin & Hong-Wen, 1990), clarifying one of the most frequently occurring conflation in extant ‘social entrepreneurship’ literature. “A ‘social preference’ is now considered to be a characteristic of an individual’s behavior or motives.... a social preference means that the individual’s motives are other-regarding -- that is, the individual takes the welfare of other individuals into account.” (Fehr, 2009). It is therefore proposed that

Proposition 1: Sponsors of social venturing initiatives will have strong other-regarding preferences.

Since Yunus’ and Grameen bank’s Nobel Peace Prize, microfinance has been considered a genre-defining social venturing activity. I compare two micro credit organisations – SKS the largest microfinance organisation in India and the now famous Grameen Bank – and trace the sponsor motive difference to the way the organisations were set up, how they grew, what their modus operandi are and the outcome of their activity. The following propositions emerge.

Proposition 2: A social venturing initiative will

- a) operate on a concept of giving rather than of exchange
- b) be designed to give all benefits of its product, service or financial surplus generated to existing or future beneficiaries rather than to sponsors, which will often reflect in its ownership structure.

Proposition 3: A social venturing initiative, like a traditional entrepreneurial one, will maximise resource use.

Proposition 4: A social venturing initiative sponsor, like a traditional entrepreneur, will take action defying resource constraint.

Proposition 5: A social venturing initiative will seek growth of the cause rather than of its own operations, and will encourage others to initiate the same activity rather than stymie ‘competition’.

Proposition 6: A social venturing initiative will seek to maximise social transformation rather than returns to its investors

I also corroborate the propositions with illustrative examples of three other social ventures: the first, Aravind Hospitals, the largest eye care facilities in India giving best-in-class eye care to all with fees set at anything patients could afford and two-thirds of the patients serviced free, now also manufacturing medical equipment/ accessories for eyecare for export to poor countries and redefining pricing in the field; second: OneWorldHelath, the non-profit manufacturer of ‘orphan drugs’ for the poorest suffering and dying from curable but orphaned diseases redefining medical care priorities; and AA set up in 1935 that has encouraged people to overcome alcohol addiction across the world through a fellowship of its members redefining addiction as a medical problem in need of a social solution.

This paper extends the possibility of theory building in social venturing by illustrating that the concepts and methods that built traditional entrepreneurship will not help build theory in this new field of activity. This is because, while there is great similarity between the two fields in how the sponsor behaves in terms of motivated action particularly in the face of resource poverty (Propositions 3 and 4) which has been the limited focus of extant literature, all else is different, ie, venture design, the ethos of giving, growth imperatives and approach to others in the same activity, ie, ‘competition’, and in outcome sought (Propositions 2, 4, 5). These differences derive

from the most important difference in sponsor motive (Proposition 1) that is the sine qua non of social venturing. It is argued that sponsor motive is a psychological construct and must be examined and understood through a psychology lens which will show ex ante distinctness of a social venture through how it is designed (Proposition 2), while the outcome of the venturing in terms of gain appropriation and lives transformed (Proposition 6) will clarify its ex post distinction.

Implications

This paper makes several propositions to highlight differences between social and traditional entrepreneurial venturing and clarifies their similarities thus contributing to reducing the conflation between the two in the present literature. It also contributes to practice as the clarification would help practitioners overcome the confusion they face in being referred to as entrepreneurs (Shah, 2009). It extends the new concept of ‘sponsor motive’ and proposes a psychological appreciation for a full understanding of the construct. Future research on variables that would help assess the sponsor motive construct is also discussed.

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SUSTAINABLE STRATEGIES FOR SMALL COMPANIES COMPETING AGAINST MULTINATIONAL GIANTS

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Principal Topic

A small but not insignificant group of small companies are what we have called 'micro-giants' – companies that despite their small size compete in markets where major multi-national firms also operate. Such firms face the challenges that all smaller enterprises face, but have the added struggle of developing sustainable strategies that will enable them to build and maintain high levels of relative competitiveness against the big firms which enjoy the benefits that size brings. Typical multi-nationals will enjoy much larger product and market development budgets, larger aggregate knowledge and skill bases, and other opportunities their size, multi-divisional and multi-national nature bring. In some such small firms, the hi-tech or specialist sectors they serve mean strategies might be available involving, for example, restricting their market focus on very narrow product/service ranges, what has been called a "deep niche" strategy, which means that their research budgets are not spread too thinly, offering their most effective use.

However, in the case of many consumer goods markets there is limited product differentiation and consequently genuine competition between similar if not identical products. Smaller firms which compete in such national and possibly even international market-places against large multi-national firms face especially tough challenges. Previous work has already established the critical importance of managing the balanced development of strategic assets if sustainable growth is to be maintained. Such assets have to be utilised to develop, in harmony, internal operations – production, recruitment/training, product development, quality assurance - and external activities – expanding customer base, customer service, reputation building. A critical factor for "micro-giants" is that to a large extent their external activities are driven by their competitors, adding a new dimension of difficulty in managing strategic assets.

Methodology and Propositions

The underlying research methodology involves detailed case investigation is reconciled with the literature and then a modelling approach is used to identify and analyse critical system drivers is utilised. The "micro-giants" under investigation are small firms competing with much larger international companies. The markets in which the "micro-giants" operate include small item consumables - foodstuffs, domestic cleaning products and paperback books. The competitors are typically "big-name" multinationals, often multi-divisional, firms which have access to major financial and other assets.

For a strategy to be sustainable it must ensure that a small company can not only effectively utilise its strategic assets but also be reactive to the timings and competitive thrusts of their multi-national competitors. We have used an analogy of a gear system comprising interlocking cogs representing different aspects of a firm's operations. Such a system is difficult enough to manage when the company can coordinate its activities so that each of the cogs rotates in unison with the others, but the specific problem facing the micro-giant is that one of these cogs is to a greater or lesser extent outside its control. Competitors with access to much larger pools of strategic resource have greater flexibility in managing their external activities – timing of new product launches, promotional campaigns, and so on.

This paper discusses a qualitative cause-effect analysis of strategic asset management, especially as they relate to the development of sustainable strategies for building and maintenance of competitiveness. Feedback analysis and performance implications of operating in markets with especially strong competitors are considered to investigate the vulnerability of such micro-giants, and what management principles they should follow to remain competitive.

Results and Implications

If a small firm has a very popular product and/or is able to market its product strongly, it may enjoy sustained growth over time and eventually finds itself competing against much larger companies. As this happens it will move from a situation where the coherent management of its assets and activities is largely an internal matter with the firm being able to coordinate asset building, operational development and customer-facing initiatives. In this new state, however, the external activities may largely be driven by the activities of the large competitors.

In earlier work on growth trajectories we have shown the balanced management of strategic assets is a similarly critical factor in micro-giants. But achieving balanced management is much more challenging in this case. Successful micro-giant management is likely to depend on the company remaining focussed on its core products (similar to the deep niche concept) and being very cautious if looking to expand its product range, thereby not over-committing its restricted assets. They are also likely to have to seek to develop mechanisms whereby they can be flexible and agile in responding to competitors' actions without having to resort to major investment of any strategic asset – finances, manpower, R&D capability and so on.

Many small firms compete with other small firms in local markets, or offer niche products or services. Some, however, serve wider markets and have developed and implemented strategies that have enabled them to grow to be "micro-giants", the point where they are competing with the major, multi-national firms that dominate their sectors. For these to continue to maintain their competitive positions their strategies have also to support the firms in an on-going competitive environment. Our study of the balancing of strategic assets shows that this is the foundation for a sustainable strategy for such micro-giants.

REDISCOVERING VALUE IN DORMANT TIES: REACTIVATION, SWITCHING, AND ACQUIRING RELATIONSHIPS

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Network research has traditionally focused on how entrepreneurs create value by forging new ties and maintaining active ties. In analyzing the life stories of 27 ventures, this research provides new insights into alternative value creation processes by revealing that many significant events are triggered by the reactivation of dormant relationships. This study also reveals that reactivation of dormant relationships may involve switching roles, rather than a repeat of the initial role. Findings also show that reactivation may also involve acquiring the relationship partner into the venture, as opposed to maintaining the relationship external to the venture.

THE ROAD TO EMPOWERMENT: RURAL WOMEN'S ENTREPRENEURSHIP IN TWO DEVELOPING ECONOMIES

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Principal Topic

Information and communication have long been central to development practices. From the mid-1990s, with the rapid transformation of information and communication technologies (ICT), practitioners and academics alike began to explore ways in which ICT could be used to support specific development initiatives and the ICT for Development (ICT4D) field explores how ICT can be used effectively in development practices (Weiel and Waldburger, 2004). There is evidence that appropriate use of ICT can lead to improved knowledge and productivity necessary for long-term economic stability and sustainable development of regions in a globalised world.

There are also those who argue that most ICTD is really market colonisation packaged as development (Gurumurthy & Singh, 2009). This paper examines the potential of ICT-enabled empowerment as the basis for sustainable livelihoods for rural women entrepreneurs in two developing economies.

Method

The research is underpinned by a social constructionist epistemology (Chell, 2000), reflecting the view that women's empowerment has multiple (economic, social, environmental, cultural, contextual) aspects. The study adopted a 'steady state economics' lens to examine ICT-enabled women's empowerment in two developing economies, Peru and Bangladesh, which is at the forefront of climate change (Hania & Quirehi 2010). Its starting point was a perceived need for equity, efficiency and sustainability. To examine the potential of ICT for women's empowerment in aforementioned developing economies, a semi-structured interview instrument was designed based on the Porritt (2005) 5-capitals framework, which has a focus is on natural capital vs. man-made capital and underpins steady state economic thinking (Daly, 1992).

Results and Implications

In both economies ICT, and in particular use of the internet, remains in its infancy, which can be attributed to lack of local infrastructure and the position of rural women entrepreneurs in the value chain. The study found pervasive use of mobile phones and strong links between gender empowerment and collective action. Communities that are organised into cooperatives are more empowered than when women entrepreneurs go it alone. Where collective action exists, there is strong social capital, increased productivity and income, which in turn improve the social status for women. The latter findings challenge contemporary theory on the lonely entrepreneur and provide ground for further research towards re-theorizing women's entrepreneurship from a networked perspective. The study highlights the need to improve and leverage the business enabling environment, including (ICT) infrastructure, to generate more opportunities for rural women. As such, regions and communities would benefit from a gender-sensitive value chain analysis to determine the endogenous and exogenous factors affecting the performance of collaborative enterprises. Including gender-specific and gender-transformative components in ICT-enabled development will contribute to equity, women's empowerment and resilient communities in both developing and developed economies.

ILLUMINATING THE BLACK BOX OF AN ENTREPRENEURSHIP EDUCATION PROGRAM: THE CASE OF THE ENTERPRISE & YOU PROGRAM

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Principal Topic

Entrepreneurship is flourishing and its importance is being recognised by more individuals, businesses, stakeholders and governments than ever before. This increased interest in entrepreneurship creates a greater demand for entrepreneurship education and, as a result, entrepreneurship education programs (EEPs) are growing significantly. However, there are repeated calls in the academic literature for more appropriate evaluations of programs and greater contextualization in future research. Even more specifically, research that uses samples of female nascent entrepreneurs in longitudinal studies is scant.

This research contributed to the resolution of these issues in six ways. First, economic theories of the entrepreneur were found to be somewhat opaque and a systematic literature review was employed to investigate major themes of the integration of literature on economics and entrepreneurship. The literature on psychological attributes and traits of entrepreneurs was also reviewed to better understand entrepreneurship.

Second, a more comprehensive and parsimonious framework for understanding and evaluating entrepreneurship education programs was created. This framework was built upon the conceptualisations of the entrepreneur and adapted from the efforts of previous research on entrepreneurship education.

Third, a case study of the Enterprise & You (E&Y) program, an EEP in England, was chosen as a frame of reference and the components of the program were integrated into the framework developed from the literature review. This demonstrated a way of applying the theoretical framework to a real-world program.

Method

Fourth, an older sample of mainly female nascent entrepreneurs in England was chosen. Fifty graduates from the E&Y program were given questionnaires before and after the program to measure entrepreneurial self-efficacy (ESE). The data were analysed using paired samples t-tests in SPSS 16.0. While ESE scores increased from before to after the program, the increase was significantly more for older participants, female participants, and participants who did not have relatives that owned a business.

Fifth, this research added qualitative methods to the more commonly used quantitative methods in the literature to analyse personal development plans of E&Y participants. The texts were coded and interpreted to understand how participants understood entrepreneurship. This knowledge can help future EEPs communicate better (both through content and pedagogy) with program participants.

Finally, less common but important evaluation measures were used. For example, the research looked at financial aspects of the program to calculate the accounting costs of the program. The utility of using such measures allows for greater objectivity in comparing programs across local, national, and international levels.

Results and Implications

Despite the contributions of this research to entrepreneurship education, it is limited to a sample in England and not generalisable to other populations. Nevertheless, this research can aid entrepreneurship researchers, policy makers, program administrators and entrepreneurs in their quest to strengthen entrepreneurship, and to increase both the quantity and quality of entrepreneurs. Future research can build upon this research by looking at cases of EEPs across different countries and cultural barriers.

RESOURCE ACQUISITION AND UTILISATION STRATEGIES OF INTRAPRENEURS AND ENTREPRENEURS

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Principal Topic

The established view on entrepreneurs and intrapreneurs is that the latter's actions are shaped by the resource endowments of the organization they work for, resulting in different opportunities (Shane and Eckhardt, 2003). Indeed, when it comes to exploitation of the idea in a venture, there is convincing evidence that independent and corporate ventures exhibit different resources and utilise different strategies (Shrader and Simon, 1997; Honig, 2001; Parker, 2011). However, we question whether this difference is as pronounced when looking at the more nascent stages of developing an opportunity.

Over 80% of the entrepreneurs in the process of starting new businesses are still employed (Reynolds et al., 2004). Moreover, Bhidé (1994) shows that 71% of the entrepreneurs got their business idea through their employer. In other words, there may be little difference between the initial resource environments of nascent intrapreneurs and entrepreneurs. To get a better grasp of differences between nascent intra- and entrepreneurs with respect to opportunity identification we need comparative research from novel theoretical perspectives.

We build on Stevenson and Jarillo's (1990) view that both intrapreneurs and entrepreneurs pursue opportunities without regards to the resources they control. In particular given the similarity of their starting situation (i.e. being employed in a company) differences may not be in their initial resource configurations, but how they utilize and extend this resource base. Honig (2001) demonstrated that intra- and entrepreneurs utilize different learning strategies and Parker (2011) provided some preliminary evidence that both groups make different use of their human capital and emphasize different social ties. We aim to extend these literatures by focusing on the acquisition and utilisation of resources from a social capital and bricolage perspective. Social capital within and outside their employer may provide access to needed resources (Nahapiet and Ghoshal, 1998), whereas bricolage is a means to generate novel outcomes with existing resources (Baker and Nelson, 2005).

Method

We investigate the resource management behaviours of entrepreneurs and intrapreneurs through data we collected in 2011 as part of the Global Entrepreneurship Monitor (GEM) in Australia. The GEM uses random sampling of over 2,000 responding households who are questioned on entrepreneurship and intrapreneurship. The sample contained 223 intrapreneurs and 193 entrepreneurs. For reasons of comparison, we selected only those nascent entrepreneurs who are actually employed, as the concept of internal social capital refers directly to the role of their employer in the new opportunity. We employed existing scales to measure the concepts of internal social capital (Jaworski and Kohli, 1993), external social capital (Alexiev, 2010) and bricolage (Senyard et al., 2010). The scales all showed good construct validity and reliability. Our models have been analysed using STATA.

Results and Implications

Our initial results show significant differences between entrepreneurs and intrapreneurs. The findings indicated that entrepreneurs engage more in bricolage than intrapreneurs. This can be explained from a resource constraint perspective as entrepreneurs are assumed to be more resource-constrained than intrapreneurs (Parker, 2011), but it is surprising from the established view that intrapreneurs should emphasize leveraging existing (corporate) resources (Burgelman, 1985; Chesbrough, 2000). Lower levels of bricolage indicate that intrapreneurs spend relatively less effort on re-using and redefining existing resources.

Surprisingly there is no difference between the groups in terms of their use of social capital present within their employer. This indicates that contrary to established beliefs, nascent intrapreneurs gain little advantage over nascent entrepreneurs with regards to using knowledge available in the firm. It also points to corporations rethinking how they can place residual claims on IP that is used within those entrepreneurial ventures (Anton and Yao, 1995).

Finally, we found that entrepreneurs make more use of social capital external to the firm than intrapreneurs. Taken together, this may shed new light on the assertion why intrapreneurial efforts are often considered as less innovative than their entrepreneurial counterparts. It seems intrapreneurs spend less effort in redefining existing resources, make less use of external social capital and similar use of social capital internal to the firm as entrepreneurs. Considering the vital role of diverse resources and knowledge in gaining competitive advantage (Barney, 1991; Grant, 1996) companies would do well to stimulate their employees to have a more critical look at their existing resources as well as make more use of sources inside and outside the firm if they want to enhance their corporate entrepreneurial efforts.

BIG DREAMERS, SMALL ACHIEVERS: ARE INTENTIONS THAT CLEAR?

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Principal Topic

Driven by academic capitalism, universities have become increasingly involved in the commercialization of research as a means of generating additional revenue streams and influencing economic development. Academic Entrepreneurial Intentions (AEI) is a relative new area of research (Prodan & Drnovsek, 2010) that encompasses the study of the scientist's intentions to commercialize the results of their research via a University Spin Off (USO). AEI builds on existing theories, such as the Theory of Planned Behavior (TPB) (Ajzen, 1991), to aid our understanding of, and to help predict, academic entrepreneurial behavior.

We suggest that AEI should also consider the academic's motivations for starting a USO. Lam (2010) proposes three categories under which the motivations for scientists' entrepreneurial behavior can be grouped: 'gold' (financial rewards); 'ribbon' (reputational/career rewards); and 'puzzle' (intrinsic satisfaction). Studies of entrepreneurship outside academia have also shown a wide range of motivations; not all of them related to financial rewards. If academic entrepreneurship is expected to yield financial benefits (both to the university sector and society more generally), care needs to be exercised in evaluating the intentions of academic scientists with respect to commercializing their research discoveries. The aim of this paper, therefore, is to examine differences in the declared intentions and subsequent actions of academic entrepreneurs and the possible impact on financial outcomes.

Method

In order to evaluate how differences in the declared intentions and actions taken by academic entrepreneurs impacts performance, we conducted in-depth interviews with four life science academics (LSA), who have participated in a USO with contrasting outcomes. In each case the LSA had participated in the process of: finding an opportunity; raising the necessary funding; establishing a USO; and had worked as an employee of the USO for at least 5 years.

Two of these USOs became publicly listed companies with the scientists leaving academia to focus their attention on the business. One of these listed companies subsequently became a large multi-million dollar corporation, while the other failed. The other two LSAs maintained positions both in academia and with the USO. One of these USOs is now a stable (yet small) private company, while the other is struggling.

The constant comparative method was used to analyze the interview data in order to explore the LSA's intentions and the actions they took (or did not take) to achieve their declared intentions. These declared intentions and actions were then related to outcomes.

Results and Implications

While intentions are generally accepted as a good predictor of behavior (action), our analysis indicates that the relationship between intentions and actions is not straightforward. If we accept the premise that intentions precede actions, we might question whether all intentions are conducive to appropriate actions and whether all actions are preceded by intentions. Similar questions were raised by Sheppard et al. (1988) but do not appear to have been evaluated with regards to entrepreneurial intentions/actions.

We observe from our interviewees that some intentions were merely expressions of *desires* or *dreams*, whereas other intentions were expressions of *goals*. The two LSAs with *dream*-oriented intentions did not take a significant leadership role within the USO they had formed, and this applied particularly when there were major obstacles/problems that had to be overcome. Although these individuals indicated that they were focused on the success of their firm, they exhibited less accountability for the outcomes, compared with the *goal*-oriented LSAs. They seemed to believe that external factors (beyond their control) were more important to the success of their venture than their own actions. These *dream*-oriented individuals expected greater financial support from government and investors and in both cases their firms had poorer financial outcomes.

By way of contrast, the two individuals that expressed *goal*-oriented intentions tended to express a higher degree of accountability and had a clearer perception of their control over, and responsibility for, the outcomes of the USO they had founded. These individuals had taken a greater leadership role within their firm (particularly during difficult times) and, as a result, had played a more active role in their firm's success. The clear *goal*-oriented intentions expressed by these individuals also appeared to be related to their desire to acquire the necessary skills to establish a successful new venture which, in turn, appeared to increase their self-efficacy. These USOs have been more successful and have exhibited greater stability than the USOs established by the two LSAs whose intentions were *dream*-oriented.

In all cases, the interviewees also noted that some of their actions were not preceded by planned intentions but, rather, they resulted from a need to take advantage of an unexpected opportunity (usually related to a funding program) or to overcome an unexpected challenge.

We propose, therefore, that relying on academic entrepreneurs declaring their 'intentions' as a basis for research, without a deeper understanding of whether those declared intentions are *dream*- rather than *goal*-oriented, might lead to inappropriate conclusions. Indeed, if we consider all declared intentions as predictors of behavior we are likely to be disappointed with the outcomes. This has serious implications for private and public policy makers because declared intentions might not be related to the actions needed to create a successful and independent business.

DEVELOPING SUPPORT FOR MICRO- ENTREPRENEURS IN A DEVELOPING ECONOMY IN AFRICA

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Small and micro-enterprises are believed to play a significant part in economic growth and poverty alleviation in developing countries. The resourcing and support of these enterprises can present many challenges, including the development of in-country teams who operate as social entrepreneurs providing the necessary networks that makes successful entrepreneurship possible in a resource poor and often hostile economic environment.

The purpose of this paper is to explore the means of building the capacity of those who are running an organisation designed to support and resource start-ups and growing micro enterprises among some of the world's poorest urban poor. The project is based in Beira, an urban centre in central Mozambique, which lies along the Indian Ocean sea border of Southern Africa. As a result of war and natural disasters over a prolonged period, there is little industry, primary industries are primitive and there is virtually no infrastructure. Mozambique is ranked as one of the poorest countries in the world and the conditions in Mozambique, though not identical, reflect conditions in many other parts of Africa. The objective of the project is the long term sustainability of the in-country organisation which will require entrepreneurial skills as well as the resources and competencies to support micro-entrepreneurs.

Providing an in-country 'ex-patriot' presence of someone who has the necessary capabilities is not only expensive but also takes the initiative and responsibility away from the local community. Within the context of extensive longitudinal study, this paper will explore a 12 month program of capacity building that included a short time with an 'expert' in country, and then the support of the implementing team, all of who were drawn from the community being served, through 'just in time' electronic support and direction. The research draws on action learning, adult learning and effectuation literature and the operation of the program over a period of one year.

Methodology/Key Propositions

The paper reports analysis of data from regular email communication, and monthly reports received over a twelve month period. A processual research method which examines critical incidents and the changing patterns of communication identifies issues that have arisen, the changes that have occurred and time frames. In addition data from interviews with the core trainer involved in direct contact with in-country staff will be used to triangulate the data and contextualise the processes used to overcome the challenges of intermittent internet connections, cultural and language difficulties and the emerging patterns of competence, confidence and initiative demonstrated in the in-country staff.

A particular model of capacity building has been developed to support the team of social entrepreneurs who are offering resources and support to micro-entrepreneurs. This model includes a number of critical elements gained through building trust, establishing and negotiating clear explanations, fast responsiveness, ongoing coaching and support.

- The development of trust through the engagement, in country, of the trainer.
- The delivery locally of relevant basic business training that builds credibility.
- Reliable internet connections that enable email communication.
- Clear structure of requirements for both the trainer and the in-country team that provides a framework for the capacity building.
- Willingness by all parties to accept mistakes as inevitable
- Recognition of cultural and language differences
- Recognition of the hostile economic environment in which the in-country team is operating.
- Willingness of all concerned to learn.

Results and Implications

The result of this study is increased understanding of processes of building capacity and encouraging proactiveness in social entrepreneurs in a developing economy. Furthermore we propose the development of a model for providing ongoing, effective, capacity building in developing economies. The model also provides a base for the further development of strategies to provide better support to micro entrepreneurs in poor developing economies.

The research identifies a number of areas of development that appear to be significant in the success of any in-country team. These include: increased technical skills in relevant areas; improved self efficacy and self confidence; a better understanding of the requirements of reporting and accountability, improved decision making and a willingness to take responsibility. There is also significant learning for the trainer/s in Australia. This learning includes a continual reminder that operational issues are to be expected in most areas of activity in many developing countries; a reminder of the importance of not making assumptions about levels of knowledge; ensuring to communicate in a clear and uncomplicated way; to be persistent and where possible, to keep putting the decisions back to the in-country team. This is not the easy way but may be the only way to self determination and long term sustainability.

MUCH ADO ABOUT NOTHING? THE SURPRISING PERSISTENCE OF NASCENT VENTURES THROUGH THE GLOBAL FINANCIAL CRISIS

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Using the Global Financial Crisis (GFC) as a natural experiment, we investigate how a major macro-economic crisis affects nascent (i.e., pre-operational) ventures. Such knowledge is essential for a better understanding of how aggregate effects of crises on the number and type of start-ups occur. We hypothesize adverse effects on behaviors, behavioral plans, and expectations for the future, and that these effects would be more pronounced in ventures that are more innovative and/or more relying on loan funding. We use data from the Comprehensive Australian Study of Entrepreneurial Emergence (CAUSEE). This is a longitudinal study following the development of several hundred emerging ventures, i.e., they have not yet reached an operational stage when they first enter the study. The GFC set in at the middle of the second wave of data collection, which is what created a natural experiment situation as roughly half the sample was interviewed before and after the start of the GFC, respectively.

Overall, we find very limited support for our hypotheses. We discuss method factors and counterbalancing effects as possible reasons. However, our conclusion is that the main reason for the surprising absence of detrimental effects is that a large majority of nascent ventures are mostly affected by a relatively narrow, immediate task environment rather than directly by the fluctuations of the macro-economy. As only a minority relies heavily on external funding it appears that restrictions on credit do not have major effects. Our findings suggest that decreases in the number of "higher potential" start-ups resulting from a crisis may be due more to potential founders refraining from initiating a start-up attempt at all rather than to termination or redefinition of on-going start-up efforts.

THE CASE FOR COMPLEXITY SCIENCE AND AGENT-BASED MODELS TO DEVELOP AN ONTOLOGICALLY COMPLETE MODEL OF ENTREPRENEURSHIP

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Principal Topic

This paper examines a research methodology emerging from the complexity science literature for the development and testing of ontologically realistic models of entrepreneurial action – incorporating a range of cognitive variables, types of environmental disruption and information flow variables. These dimensions must be related in a variety of reflexive, positive and interdependent ways. For instance, organisational scholars have recognised that entrepreneurial opportunity, including its recognition and exploitation, is the primary phenomenon differentiating entrepreneurship from other aspects of strategy research (Casson 1982). Entrepreneurial opportunities also differ from other profit opportunities through redefining the logic of an efficient exploitation of a known means-ends relationship (Kirzner 1997). Creation of new information; information asymmetries resulting from market inefficiencies; and shifts in value of alternative uses of resources further typify entrepreneurial opportunities (Drucker 1985). Additionally, opportunity recognition is related to a differing belief on the part of the entrepreneur of the value of resources. (Casson 1982) Recognition also requires several individual capacities. These include the cognitive ability to recognise the new means-ends relationship, (Rosenberg 1994) a willingness to act in the face of scepticism of others (Chen, Greene et al. 1998), a tolerance for ambiguity (Begley and Boyd 1987), and a high need for achievement (McClelland 1961). Furthermore, predicting the subsequent performance of a venture once an opportunity is recognised and acted upon is fraught with complexities associated with an evolving market and competitive environment, as well as the availability of required resources. This paper proposes the use of agent-based models to develop empirically testable models of entrepreneurship that incorporate a wide range of dimensions.

Key Propositions

Traditional mathematical or conceptual frameworks lack the “grammatical depth” to capture the complexity of the required ontology. Agent-based models provide the descriptive tools to capture this complexity in an unambiguous, repeatable manner. These models begin with a set of predefined agents and the rules for their operation (Holland 1998). The complex causality captured in thick description research can be modelled in agent-based systems (McKelvey 2004). Agent types and qualities (entrepreneurs, customers, competitors, investors, skills etc), agent objectives (low cost, high quality, rapid growth etc) can be captured within a computational framework. Agent activities (outsourcing, improving staff communication, focusing on particular marketing strategies) can also be portrayed in the computational model. The network of agents interacting and behaving according to a set of algorithmic rules over a defined period of time can progress into a long-run “self-organising” structural order. Perhaps most significantly for entrepreneurship research, they are well suited to modelling disequilibria dynamics (McKelvey 2004).

McKelvey (2000) argues that agent-based models achieve theoretical integration of several prevailing methodologies and perspectives in organisational science. His own method, which he calls *heterogeneous, agent-based computational modelling* (McKelvey 2004 p.314), is cast as a theoretical synthesis of insights arising from developments in evolutionary biology, postmodernist organisational “connectionism”, Mohr’s process theory (Mohr 1982), and the American (Kauffman 1993; Brown and Eisenhardt 1998; Lewin 1999) and European (Haken 1983; Cramer 1993; Prigogine 1997) approaches to complexity science.

The precision of the computational formulation also facilitates the independent verification of claims between researchers. Mutual exchange of models allows theoretical results to accumulate as researchers build on the models of others (Contractor, Whitbred et al. 2000).

Results and Implications

The proposed framework draws inspiration from the empirical success of model of a communications network’s evolution studied by Contractor et al (Contractor, Whitbred et al. 2000). They developed a predictive model with empirical disconfirmation that provides precise, falsifiable hypotheses of generative mechanisms identified by an extensive study of the structuration theory literature (Giddens 1984). Surveys were used to identify actual initial and final states of network connectivity among actors. Agent-based models were applied to the initiate states to generate final state predictions. The authors (Contractor, Whitbred et al. 2000) found significant statistical association of generated and observed networks for several of the identified generated mechanisms.

Several obstacles to widespread acceptance of the methodology do however exist. For example, as Marks points out (Marks 2011), programming skills and resources within schools of social science are often limited, thereby limiting the adoption of computational models. In addition, necessary computational resources and programming effort have been prohibitive. Exponential growth of computing resources and the advent of modern object-oriented programming languages and new simulation environments have vastly increased accessibility. Further, successful implementation and testing of the methodology requires realistic and comprehensive macro-level data. Recently, a massive volume of actor-network interaction data from online and telecommunications sources has been collected and, in some cases, made available to researchers (Lazer, Pentland et al. 2009). The potential now exists for extensive data-mining efforts to reveal characteristics of actor interaction, network evolution and even communication content. Finally empirical measures of emergent final state structure (Guastello 1995) lack systemisation although several methods have been proposed. (Contractor, Whitbred et al. 2000; Eve 1997; Guastello 1995).

Despite these obstacles, several authors acknowledge that agent-based modeling has potential for a credible science of entrepreneurship that is (i) integrative of qualitative research findings, (ii) testable, (iii) theoretically unifying, and (iv) independently repeatable.

LOST IN TRANSLATION? SIGNPOSTS FOR UNDERSTANDING GENDER IN THE VENTURE CREATION PROCESS

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Principal Topic

Women owned businesses are one of fastest growing populations of entrepreneurs world-wide and make a significant contribution to employment, innovation and economic growth in all economies (Kelley, Bosma, Amoros, 2011; Allen et al. 2007). However, despite the size and growth of the phenomenon of women's entrepreneurship, and notwithstanding a growing body of literature and notable initiatives namely the Diana Project which over the last 12 years has worked to grow research in the field, there remains a paucity of knowledge on the phenomenon (Brush et al. 2010). Theory development exploring women's entrepreneurship and in particular the process by which women create ventures is limited and has not kept pace and is often not well communicated to practitioners, educators and policy makers. In essence, research on women entrepreneurs is lost in translation. Traditional frameworks are rooted in economics literature (Liebenstein, 1967; Schumpeter, 1947; Kirzner, 1985; Baumol, 1993). Less often are social settings such as family, household and gender issues considered in the business creation process more often affecting women considered (Aldrich & Cliff, 2004; Shapero & Sokol, 1982). A brief review of the literature shows that most current frameworks of venture creation and find that most are approached from an objective economic perspective, less often considering the influence of social settings, such as family, household and gender issues, that provide the context for entrepreneurial activities. As a result, gender differences are often masked.

We address this gap by building on a gender aware framework that argued for an explicit recognition of social embeddedness at the micro family level and the meso and macro levels (Brush, de Bruin & Welter 2009). Then, drawing from the work of Shapero and Sokol (1982), we suggest that a closer look at the perceptions of feasibility and desirability of opportunity within an embeddedness framework can enhance theoretical approaches to the study of entrepreneurship.

Shapero and Sokol (1982) argue that entrepreneurial activity is likely to occur when an individual makes a shift from one life path to another, and that there are positive pushes and pulls, as well as negative displacements that can motivate entrepreneurial behaviour. Data from the Global Entrepreneurship Monitor shows that perceptions of feasibility of the opportunity vary significantly between men and women, yet the antecedents to these variations in perceptions is not well understood (Kelley, Bosma, Amoros, 2011; Allen et al. 2007). Further, variations among women who have more favorable perceptions of opportunities and those who do not is also a question of interest.

We argue that level of family embeddedness will explain greater or lower likelihood of start up for women entrepreneurs compared to their male counterparts. Family embeddedness is defined as participation in family roles, household resources and social network relationships (Aldrich & Cliff, 2003; Bianchi & Casper, 2000; Reuf, Aldrich & Carter, 2004).

Multi-level research propositions are proposed as a means to springboard research to close the information and communication gap. Our propositions highlight how the actions of the woman entrepreneur maybe constrained or facilitated by the impact of family/household resources, and how social roles can facilitate and/or impede entrepreneurial action. Mitigating the communications gap is, however, just as important and consideration is given to how closing this gap might be addressed.

Method

Using embeddedness as conceptual scaffolding, we propose a conceptual framework that extends the work of Shapero and Sokol (1982) and offers an illustrative set of propositions exploring how perceptions of feasibility and desirability within the context of family embeddedness will influence the likelihood of women's venture creation differentially. We discuss different forms of embeddedness as an underpinning theoretical premise for coherence across various levels for multilevel study of women's entrepreneurship.

Results and Implications

This paper shows how family embeddedness can help us uncover differences in women's entrepreneurship. We utilize a multilevel approach and suggest propositions that can be tested in future research. We simultaneously draw attention to the conscious adoption of the meso paradigm to take into consideration both micro and macro processes and explicit incorporation of the meso level, is a useful mechanism for advancing multilevel analysis. The meso level can demonstrate the confluence of influences arising from different levels, mediate between the micro and macro domains and synthesize links between constructs (House et al., 1995; Klein, Tosi, and Canella, 1999). Policy implications are also pointed to.

ENTREPRENEURS FOSTER SUPPORTIVE RELATIONSHIPS IN A MARKET ENVIRONMENT WITH LITTLE FORMAL SUPPORT

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Principal Topic

The significance and potential of entrepreneurship and Small and Medium Enterprises (SME's) in the development and growth of most countries, especially emerging economies are well documented (McDade & Spring, 2005; Ucbasaran, Westhead and Wright, 2009:99). In the South African context the development of entrepreneurship, tourism and SME's are explicitly mentioned as part of the governments' Accelerated Growth Initiative of South Africa (ASGISA). The estimated 2.2 million Small, Medium and Micro Enterprises (SMME's) (GEM, 2009) are believed to employ around 56% of the overall workforce and contributes between 27%-34% to the overall GDP of the country (SEDA, 2007:49 and DTI Small Business Profile, 2009).

Tourism and through initiatives such as coordinated events, created a new marketplace and entrepreneurs are taking up this opportunity with great force. Events, such as festivals are popular places for the many different cultures to socialise, showcase new talent on stage through performances, singing, dancing, poetry and art, as well as to introduce new innovations, handmade arts and crafts to the market. Annually, there are 300 festivals which offer a viable environment to test, develop, market and grow one's business and product offering at different venues to new customers almost every day of the year. Research on the tourism industry and specifically festivals and the role they play in creating opportunities for entrepreneurs necessitated this type of research. Apart from complying with general guidelines set by festival organisers on how to conduct business during these festivals, there are no formal structures, support, policy or governance on the actual business practice. Having to work in this vibrant and very innovative environment poses its own obstacles and challenges. Creative industries demand distinct mindsets and behaviour of these entrepreneurs. Festival entrepreneurs can use *relationships* to build support networks, share ideas (Webster, 1976) and work with, each other (for instance look after the other one's stall while they go and buy some food) to have a more successful businesses experience (Crawford & Hafsteinsson, 1996).

In this research we focussed on some essential elements mentioned in literature as being the building blocks of successful relationships, such as *Trust* (Kanagaretnam, Mestelman, Nainar & Shehata, 2010:241, Rousseau, Sitkin, Burt & Camerer, 1998:393). This research includes the following objectives: how the festival entrepreneurs perceive networking, why they conduct networking, and how they perceive the role of the festival organisers in contributing to the success of networking efforts. By understanding the specific networking needs of these entrepreneurs, steps can be taken to enhance their current efforts and to support future developments. This information might also be instrumental in providing further training and skill building opportunities for entrepreneurs specialising in this sector. The Tourism industry can assist entrepreneurs in this area by developing policies and creating opportunities to develop these entrepreneurs and to provide training on how to apply networking to enhance their business, whether they apply it to access resources or to coordinate business attempts to attract a larger and wider audience.

Method

The sample consisted of all entrepreneurs conducting business at the festival terrain. In total there were a 137 (N = 137). The structured questionnaire was distributed amongst the entrepreneurs and stall operators. The questionnaire was adopted from previously tested questionnaires (see De Klerk, 2006 and Krackhardt, 1987) and aimed at acquiring specific knowledge on the demographics of the festival entrepreneur, the networks of the festival entrepreneur and the perceptions of the festival entrepreneur of the festival management. The questionnaire consisted of 3 Sections with 25 questions. A factor analysis was conducted to determine whether there is a correlation between the identified networking factors. The Kaiser-Meyer Olkin measure was used for Oblimin factor rotation analysis. Five factors: trust, managerial skill, networking skill, relationships with festival organisers and perceived success were identified as being the key factors in ensuring success in this setting.

Findings and Implications

Becoming a festival entrepreneur seems to be a career choice. Festival organisers and the tourism industry in general, should take this into account for future development and growth of entrepreneurs. Hence a better sense of community should be build amongst the festival entrepreneurs to share ideas and enhance their businesses through networking initiatives. Networking should also be facilitated between the organisations' management and the entrepreneurs involved. These entrepreneurs regard relationships as very important and confirm popular literature (see De Janasz, Dowd & Schneider, 2009 and Peppers & Rogers, 2006) that highlights the importance of networking for the entrepreneur. It also implies that a more structured approach should be followed when organisers want to attract or even grow the matter. Since many of the entrepreneurs are involved in producing arts and crafts it can be beneficial to work with and through clubs and organisations who are involved in arts and crafts. Development of festival entrepreneurs by government or festival organisers could also include training opportunities by schools and tertiary institutions in order to promote this as an attractive career choice since festivals and events are on the increase in especially emerging markets. Therefore this paper attempted to shed some light on these entrepreneurs, the way in which they conduct their business to deal with some of the lacking support structures and their perceptions of the business guidelines and management of these events. This valuable insight may provide background for future development of policy to guide these businesses in their operations, and the development of future support structures to embrace and grow these businesses in this newfound market.

EFFECTUATION OR CAUSATION: WHICH DECISION MAKING LOGIC DO BUSINESS WOMEN USE?

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Principal Topic

Entrepreneurial decision-making often takes place under conditions of uncertainty where rational decision-making models provide little guidance for decision-makers. Effectuation has been proposed as an alternative decision-making approach under conditions of uncertainty (Dew et al, 2009). Effectuation entails an active and reciprocal process of creating new initiatives. It is a type of human problem solving that acknowledges the future as changeable that can be shaped by human action; the environment as constructed by decision-making and goals created through agreements between stakeholders, rather than prior existing alternatives (Sarasvathy, 2001). In this process entrepreneurs use their human capital (who I am; what I know) and social capital (whom I know) to effect the change in their environments. In contrast to the effectual approach, rational decision-making models tend to focus on the causation approach reflecting predictive reasoning. Theoretically the concepts of causation and effectuation are often explained as a dichotomy.

Research into effectuation and causation has grown over the past decade. Much of the early research tended to utilise experimental studies of verbal protocols or field studies, using qualitative data analysis, with two recent studies using a more quantitative approach (Chandler et al, 2010; Brettel et al, 2011). To move the research stream beyond the embryonic phase, empirical research is needed to study the antecedents of causation and effectuation. Sarasvathy's (2001) initial sample of 27 expert entrepreneurs were mostly male and therefore the question arises whether female entrepreneurs use similar decision-making models.

While scholars find similarities in the personal demographics of male and female entrepreneurs, there are differences in business and industry choices, financing strategies, growth patterns, and governance structures of female-led firms (Greene et al, 2003). Business women share many characteristics with their male colleagues but they are unique in various aspects: they start and manage ventures in different sectors, develop different products and services, pursue different goals and structure their ventures in a different manner (Carter, 2007). They also start with unique sets of motivation, human capital, social networks and tangible resources (Cowling & Taylor, 2001) suggesting that the decision-making processes they use would be a fruitful area of study. These differences between male and female entrepreneurs, the social value created by female entrepreneurs together with the fact that business women's importance in the global business environment is growing (Jesselyn & Mitchell, 2006), provide compelling reasons to study female entrepreneurial behaviour.

The purpose of this study is to determine the type of decision-making processes business women, intrapreneurs and entrepreneurs, use under conditions of uncertainty and how their human and social capital influences the decision-making logic.

Method

This paper reports on an empirical survey of 269 business women in South Africa. The Business Women's Association of South Africa agreed to participate in the research study and therefore an online survey was sent to all their members. The measurement instrument was pre-tested in a pilot study, before the questionnaire was finalised. The dependent variables of decision-making (causation and effectuation constructs) were assessed, using the scale developed by Chandler et al (2010); and the independent variables of human and social capital using scales from Westerberg et al (1997) and Walter et al (2006), supplemented by additional measures where necessary. The data were analysed using SPSS. An exploratory factor analysis was conducted to determine the discriminant validity of measures and ensure internal reliability. Independent t-tests and ANOVA were used to test for significant differences between groups, while multiple regression analysis was used to assess the relationship between variables.

Results and Implications

The results from the study suggest that business women use both causation and effectuation in their decision-making models, when shaping and implementing new initiatives, while the literature proposes that these two decision-making approaches are distinct and dichotomous. In using a causal approach respondents value planning and a systematic approach to new, uncertain projects, however they realise the benefit of flexibility and limiting the downside loss to their decisions and therefore also incorporate elements of effectual logic. While social capital and business networks are seen as critical to the decision-making process, relatively few business women obtain pre-commitments from stakeholders to ensure the success of new initiatives. Furthermore business women show high levels of self-efficacy, reflecting their confidence in their own ability to succeed.

When examining the relationships between decision-making logic and its antecedents, social capital is found to be the most strongly related, both for causation and effectuation, with business women emphasising their relationships with key stakeholders. Self-efficacy also showed significant relationships with both causal and effectual decision-making approaches. The implication of these findings is that business women utilise both these decision-making styles and as such a focus on merely one or the other style, would be detrimental. For entrepreneurship educators this finding suggests that courses should incorporate both decision-making styles and develop these skills in students. For suppliers to business women these findings suggest that communication messages should be tailor-made to incorporate both decision-making styles.

SMELLS LIKE TEAM SPIRIT: HOW EXPERIENTIAL AND MOTIVATIONAL TEAM COMPOSITION AFFECTS START-UP VALUE ADDED

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Principal Topic

With the uprising of the knowledge based economy (Ireland et al., 2002; Zahra et al., 2000), the creation and subsequent development of a new organization is more than ever demanding in terms of required skills, capabilities, information, and knowledge (Ruef et al., 2003). Hence, over half of nascent entrepreneurs work in teams of at least two individuals (Aldrich et al. 2004; Davidsson and Honig 2003). High-growth firms appear even more likely to be initiated by teams (Cooper and Gimeno-Gascon, 1992).

Yet extant evidence on whether new venture performance benefits from either team member homogeneity or heterogeneity is mixed. Some researchers assert that more heterogeneous teams are better suited to stimulate firm outcomes (Naranjo-Gil et al., 2008; Zimmerman, 2008). According to them, team heterogeneity adds to the team's combined experiences, competences and network ties, which in turn trigger innovativeness and creativity and enhance speed in decision making. Other researchers have argued and empirically supported that team homogeneity positively affects performance through improved communication, behavioral integration and the establishment of trust (Eisenhardt and Schoonhoven, 1990; O'Reilly et al., 1993; Ruef et al., 2003).

Hence, the objective of this paper is to reconcile both strands of literature, focusing on heterogeneity not only in terms of human capital and demographic characteristics, but also regarding the intrinsic or extrinsic motivations that underpin their entrepreneurial desires. In spite of the evident implications entrepreneurship motivation might have on the founder team's new venture approach, research attention on this topic on the team level has been scant.

Key Propositions/Methodology

Consistent with prior research (Hitt et al., 2006; Spar, 1997), we recognize that an individual's human capital knowledge base is built of both expertise and experience. Thus, we explore the impact of the team's educational background differences (expertise), accumulated industry tenure (experience), and shared entrepreneurship intrinsic and extrinsic motivation on start-up value added. With respect to experience, this paper stipulates that team homogeneity is beneficial to low experienced teams, while its opposite works to the advantage of more heterogeneous teams.

In accordance with recent contributions that argued that other, more psychological team characteristics are equally likely to affect team effectiveness and organizational outcomes (Carpenter and Fredrickson, 2001; Naranjo-Gil et al., 2008), we subsequently relate team entrepreneurship motivation to start-up performance. According to prior motivation contributions, extrinsic motivation is detrimental to creativity and cognitive flexibility in problem solving, whereas both processes are positively associated with intrinsic motivation (Bénabou and Tirole, 2003; Amabile et al., 1990). Kreps (1997) suggests that intrinsic motivation is especially valuable when faced with multifaceted situations, where ambiguity is high and creativity important, such as new firm formation. Meanwhile, extrinsic motivation has been associated with lower long term task commitment (Deci et al., 2001) and a tendency to avoid risks as not to endanger contingent rewards (Erez et al., 1990). Building on prior work, we hypothesize that intrinsic entrepreneurship motivation allows founder teams to exert a positive influence on venture performance, whereas extrinsic entrepreneurship will exhibit a negative impact. Additionally, we assume that motivation homogeneity acts as a positive moderator of the association between founder team motivation and start-up performance. Finally, due to suboptimal resource spending and the pursuit of inferior firm objectives, extrinsic motivation is expected to negatively moderate the effect of intrinsic motivation.

This study's population consists of start-up incorporated companies aged between one and three years, active within various economic sectors, with a minimum of one and a maximum of forty-nine employees in 2009. Our analyses are based on a sample of 66 founder teams, representing 142 business managers/founders. The primary source of data involved a structured interview with each of the start-up's managers. General information on the start-up business stems from a biennial company survey while statistics on start-up value added originate from Bel-first, a Belgian government-issued financial database. To test our hypotheses, we use hierarchical regression with moderation effects.

Results and Implications

Our results show that the start-up's value added is influenced by certain human capital factors. Contrary to our hypotheses, start-up performance appears to be hindered by intrinsic entrepreneurship motivation. We also find that industry tenure differences among the founders intensify the positive effect of the team's average industry tenure, as was expected.

In this study we make three contributions. First, we introduce both team homogeneity and heterogeneity into one research design, which allows us to explore composition-specific conditions that maximize the team's performance impact. Second, our emphasis on start-ups responds to the paucity of writings on the significance of founder team characteristics set within the context of emerging ventures. Third, this study answers the call of prior research to address the topic of new venture performance antecedents.

Besides focusing on upper echelons literature gaps, this paper also sheds light on the entrepreneurship motivation of management teams and its impact on new venture performance, thus linking entrepreneurship literature to motivation studies. As such, our results might broaden our understanding of motivational aspects as an internal driving force of entrepreneurial outcomes, an area very little is known of.

I THINK I CAN'T? INVESTIGATING THE RELATIONSHIP BETWEEN GENDER AND ENTREPRENEURIAL SELF-EFFICACY

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Principal Topic

Around the world, clear gender gaps exist in terms of entrepreneurial intentions, start-up activity and business ownership. On average, women are considerably less likely than men to express intentions to start their own business (Wilson, Marlino & Kickul, 2004; Zhao, Seibert & Hills, 2005), to be engaged in venture creation activities (Allen, Elam, Langowitz & Dean, 2007; Minniti, Allen & Langowitz, 2005; Reynolds, Carter, Gartner, Greene & Cox, 2002), and to become business owner-managers (Allen et al., 2007; Minniti et al., 2005). Numerous investigations have found entrepreneurial self-efficacy (ESE) to be a key determinant of entrepreneurial intentions and/or activity (Boyd & Vozikis, 1994; Fitzsimmons & Douglas, 2011; Krueger, 1993; Krueger, Reilly & Carsrud, 2000; Zhao et al., 2005). Moreover, several studies indicate that females tend to feel less efficacious about their entrepreneurial ability than males (Bandura, 2001; Chen, Greene & Crick, 1998; Gatewood, Shaver, Powers & Gartner, 2002; Wilson, Kickul, Marlino, Barbosa & Griffiths, 2009). This gender gap appears amongst adolescents (Kourilsky & Walstad, 1998; Wilson, Kickul & Marlino, 2007) and can even persist amongst MBA students (Wilson et al., 2007; although see Mueller & Conway Dato-on, 2008).

Given the socio-economic benefits associated with entrepreneurial activity (Acs, Arenius, Hay & Minniti, 2005), it is important to understand why young women at the pre- and early-career stages feel less efficacious than their male counterparts about starting their own business. It is particularly puzzling why this is so even within highly industrialized and so-called innovation-driven regions such as North America, where females are now just as likely (if not slightly more so) to be enrolled in post-secondary education in general and within previously male-dominated faculties such as business in particular (Statistics Canada, 2009). Some researchers have started to investigate the factors that contribute to gender differences in ESE. Wilson et al. (2009), for example, found that entrepreneurship education was positively related to ESE, with stronger effects for women than men. And BarNir, Watson & Hutchins (2011) found that having an entrepreneurial role model affects women's ESE more than men's, and that ESE appears to mediate the effect of role models

on career intention more strongly for women than men. Although these early studies are promising, they are not only limited but also lack a unifying guiding theoretical framework.

Consistent with the cognitive turn in entrepreneurship research more broadly (Baron, 2004; Mitchell et al., 2007), we suggest that a learning perspective can provide much-needed additional insight into the critical yet unanswered question of why females in the pre- and early-career stages tend to feel less efficacious than males about their entrepreneurial ability. For theoretical insight, we turned to Bandura's (1977) foundational work on the major contributing factors to the development of self-efficacy in general: enactive mastery, vicarious experience, physiological arousal and verbal persuasion. The first research question derived from this comprehensive conceptual framework focuses on whether potential gender differences in the levels and effects of enactive mastery, vicarious experience and physiological arousal can help account for observed differences in the ESE of pre-career males and females. Our second research question focuses on whether the impact of verbal persuasion is especially influential for females versus males in the pre-career stage.

Method

We examined the preceding questions through an on-line, quasi-experimental design. The sample consisted of 222 students (82 male and 140 female) enrolled at a major Canadian university who were under the age of 30. Demographic and dispositional control variables included the subject's age, immigrant status, faculty, and general self-efficacy.

To assess the first research question, we analyzed descriptive data collected from the students via an online survey completed prior to the quasi-experimental component. We measured enactive mastery by the extent and perceived successfulness of their prior business start-up activity, vicarious experience by the existence and perceived successfulness of close role models involved in business ownership, and physiological arousal by the intensity of their positive and negative affect towards entrepreneurship as a potential career choice. We then obtained a measure of their pre-experimental ESE.

We assessed the second research question via the quasi-experiment component. This involved the completion of an online opportunity recognition task, after which we provided the subjects with feedback on their actual task performance and asked them to assess their perceived performance. Then, to heighten the salience of the feedback received, we presented them with three subsequent scenarios in which they were depicted as encountering success, ambiguous performance or failure on each of three other critical tasks in the entrepreneurial process (i.e., garnering enthusiasm for the venture concept, securing financial capital, and generating revenues and profits), depending on their prior level of actual task performance. After collecting additional measures of perceived performance, we then

assessed post-experimental ESE and conducted manipulation checks on the believability of the task feedback and the hypothetical scenarios.

Results and Implications

Although we are currently in the process of analyzing our findings, the preliminary results are very promising. A full set of OLS regression results will be available in the paper submitted in November 2011, which we hope to corroborate through a SEM analysis prior to the January 2012 conference. Our findings are likely to have important implications for entrepreneurial education in particular, as they may provoke a reconsideration of current entrepreneurship curriculum and delivery models if we wish to close the gender gap in ESE.

THE INTERPLAY BETWEEN ENTREPRENEUR'S COGNITIVE STYLE, REASONING LOGICS AND SOCIAL MEDIA INFORMATION PROCESSING BEHAVIORS FOR NEW VENTURE DEVELOPMENT

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Principal Topic

Entrepreneurial information-processing, which involves information acquisition, interpretation and decision-making, is crucial to identification of opportunities and acting upon them (Daft & Weick, 1984). During new venture development (NVD) entrepreneurs are often resource constrained (Busenitz & Lau, 1996). With lack of internal secondary data or historical experience they resort to externally available information (Mohan-Neill, 1995; Lang et al., 1997). Social media provides an abundance of publicly available user-generated content for free (Chen, 2011). Opportunities could potentially emerge from tapping into ideas, problems, knowledge and experiences that customers share on social media (De Valck et al., 2009). At the same time, challenges are abound in extracting relevant content from the irrelevant (Chen, 2010; Pal & Saha, 2010), interpreting the information obtained (Bawden & Robinson, 2008) and finally using this content for decision-making. Although entrepreneurship has devoted considerable attention on entrepreneurial cognition (Mitchell et al., 2003; Baron, 2004, 2006) and entrepreneurial information processing (Vaghely and Julien, 2008; Fiet, 2007; Dyer et al., 2008), specific methods and techniques that deal with entrepreneurial information-processing in social media environments are not well established. To address this deficiency, this paper proposes social media methods and techniques that provide guidelines for how entrepreneurs may acquire and interpret information from social media environment(s) and how they may use this for decision-making.

We build upon and extend twelve established methods and techniques initially intended for new product development (Jansen & Dankbaar, 2008; Van Kleef et al., 2005). These methods were chosen for the reason that they encourage customer involvement, a key aspect of using social media (Kozinets, 2002). All methods are analyzed on their acquisition, analysis (interpretation) and use for new product development (decision-making) capabilities. This culminated in principles that were then converted into a social media environment. The methods and techniques derived as result are classified according to four entrepreneurial information acquisition behaviors (1) observing (2) questioning (3) idea networking and (4) experimenting (Dyer et al., 2008).

Furthermore, these methods were analyzed on how they may facilitate NVD. From the entrepreneurship literature two NVD approaches are distinguished: causation and effectuation (Sarasvathy, 2001; 2008). Causation is often presented as a systematic, prediction-oriented and formal way of NVD (Sarasvathy, 2001; Perry et al., 2010; Brinckman et al., 2010). Effectuation is described as an emergent, iterative and non-predictive approach (Dew et al., 2006). These approaches fundamentally refer to human information processing. (Perry et al., 2011; Sarasvathy, 2008, Dew et al., 2009; Mitchell et al., 2007; Vaghely and Julien, 2010). To understand how information-processing differs amongst these approaches, dual processing theory is adopted (Epstein, 1996; Tversky and Kahneman, 1974; Hodginson & Clarke, 2007; Allison & Hayes, 1990).

Dual processing theory is often used in research on reasoning, judgment and decision-making (Wixted, 2007; Evans, 2003). It distinguishes two independent and related modes of information-processing: analytical and intuitive. Analytical style entails searching for logical connections between elements of situations and between patterns and cognitive maps (Allinson & Hayes, 2010). It involves a conscious step-by-step method for problem solving and formulation and testing of hypotheses. Intuitive style is a non-conscious, holistic and non-selective way of acquiring and using information through a process of implicit learning (Allinson & Hayes, 2010). It involves mapping all elements of a situation onto categories and patterns that have been derived from past experience, synthesizing data and recognizing patterns (Allinson & Hayes, 2010). Based on our analyses we derive the following propositions.

Key Propositions

Proposition 1a: Causal entrepreneurs mainly adopt an analytical information-processing mode.

Proposition 1b: Effectual entrepreneurs following effectuation mainly adopt an intuitive information-processing mode.

Proposition 2a: Causal entrepreneurs use focused and logical search criteria for acquiring information via social media.

Proposition 2b: Effectual entrepreneurs use broad and association search criteria for acquiring information via social media.

Proposition 3a: Causal entrepreneurs interpret social media content by applying systematic procedures, accepted rules or rules based on observations of relevant situations.

Proposition 3b: Effectual entrepreneurs' interpret social media content by relying on prior knowledge that facilitates synthesizing data and recognizing connections and pattern based.

Proposition 4a: Causal entrepreneurs decision-making is based on explicit learning.

Proposition 4b: Effectual entrepreneurs decision-making is based on implicit learning.

Proposition 5a: Causal entrepreneurs do not prefer specific information acquisition behaviors. They consciously choose behavior with the highest probability of retrieving information that facilitates problem-solving and goal achievement.

Proposition 5b: Effectual entrepreneurs experiment with different business plan and engage in trial-and-error processes. Therefore, they prefer idea networking and experimenting information acquisition behaviors.

Results and Implications

This paper identifies and addresses the following gaps in literature: (1) lack of a conceptual framework to integrate the available literature on entrepreneurial information processing and NVD approaches (2) lack of explicit links between entrepreneurial information processing, social media use and NVD approaches (3) lack of guidelines for acquiring and interpreting information from the social media environment for entrepreneurial decision-making during NVD. The paper presents propositions and a research model that provides a basis for future empirical research on entrepreneurial information processing, social media use and NVD approaches. Furthermore, the paper contributes to practice by offering initial guidelines for entrepreneurial information processing in a social media environment.

INTERNATIONALISATION AND SMALL BUSINESS ENTREPRENEURS (SBES): A STUDY OF THE CRITICAL FACTORS THAT INFLUENCE THE BEHAVIOUR OF SBES WHEN THEY TRADE INTERNATIONALLY

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Globalisation has opened up new opportunities and challenges for SMEs and SBES. An increasing number of SBES now consider trading internationally as an important option and SBES are now considered as a new generation of international traders.

Although globalisation has opened up new opportunities for small firms to enter emerging and growing markets, most SBES survive with the fear of competition from new and emergent entrants in their domestic and overseas markets.

A review of literature on internationalisation indicates that the theoretical frameworks and models developed so far relate to and are based on the experiences of large corporations. There is very little discussion on internationalising experiences of the smaller firms, particularly the SBES, in the literature.

Purpose

The purpose of this study is to report on the findings of an exploratory and qualitative research undertaken to explain the internationalising behaviour and experiences of SBES. The study aims to contribute to small enterprise research by investigating the critical factors that influence the behaviour of SBES when they trade internationally. As an example, this research focuses on the role of networking, particularly business networking, and the impact it has on the SBES' efforts to do business internationally.

Design/Methodology/Approach

A set of key questions are formulated and addressed in order to identify and explain the important influences and issues that determined SBES' motivation and behaviour when trading internationally. A qualitative approach involving an extensive literature search is used to provide answers to the questions. A convenient sample of case studies of SBES involved in doing business internationally is also used to inform this study.

This study also investigated if SBES used networking as a strategy when they traded internationally. Available theoretical frameworks, case studies and current developments in business networking are critically examined to explain the dynamics and role of networking for SBES trading internationally. Structured interviews involving owner/ managers of a carefully selected sample of SBES currently trading overseas or plan to do so in the near future are used. An examination of secondary data and informal telephone interviews with a sample of SBES as pilot case studies are used to ensure that the SBES selected for the study meet the purposes of this study.

Some key questions asked in this study are:

1. Who or what are SBES within the general SME category?
2. What theoretical frameworks are available that could be used to understand and explain the internationalising behaviour of firms generally?
3. What discussions, theoretical frameworks and models are available that can be used to explain the internationalisation experience and behaviour of the SBES?
4. What critical factors influence SBES' behaviour as they trade internationally?

A review of literature was carried out to determine:

1. the research methodology
2. the definitions to use for the key concepts such as - internationalisation, entrepreneurs, SMEs and SBES
3. available theoretical frameworks on international trade to help understand and explain the internationalising behaviour of firms.
4. gaps in literature to explain why internationalisation behaviour of SBES cannot be explained using the existing theoretical frameworks

The case studies are selected based on following criteria:

- i) The enterprise is owned and operated by a SBE
- ii) The SBE operated at least 20 percent of its business in an international market for at least two years, and
- iii) Firms are selected from different industries.

For the purposes of this research SBES are defined using a more global context.

Findings/Conclusions-

Considerable literature on internationalisation already exists. However, the literature reviewed so far indicates that the discussions, theoretical frameworks and models used relate to and are based on large firms that are generally multinational corporations. There is very little discussion in the literature on the internationalisation experiences of the smaller firms, particularly, the SBES. The literature search indicates an overall lack of an established theoretical framework that can be readily used to explain the internationalisation behaviour of smaller firms, particularly, the SBES.

The study indicates that while new opportunities are unfolding for the knowledge-intensive, more entrepreneurial and high-tech SBES most face new challenges in their efforts to do business internationally. Challenges are in - finding reliable business partners overseas, marketing and selling products in a foreign region, obtaining prompt payments from foreign buyers, fluctuating exchange rates and difficulties arising from differences in culture, language and business practice.

Practical Implications

The findings indicate that SBES need training and professional advice to be able to do international business successfully. Policy makers may need to consider the key influences, issues and challenges faced by SBES when trading overseas. The findings have implications for future research, in particular, to develop a theoretical framework that could be used with ease to explain the behaviour of SBES trading internationally.

Findings suggest that this study has the potential to contribute to the SME/SBE international business literature in two ways. First, it will identify a set of predictive motives or determinants for which SBES take a proactive approach in doing business internationally. Secondly, the role of business networking in the overall SBE internationalisation context will become clearer. The study contributes to the definition of SBES in a more global context.

Original value

Findings indicate that an exploratory investigation of this nature on internationalisation by SBES is one of first and it has practical implications for small firms that do business internationally.

Key words

internationalisation, small business entrepreneur, business networking.

GROWTH AND HEURISTIC DEVELOPMENT IN OWNER-MANAGED FIRMS

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Introduction

The issue of how a company moves from inception to a “growth company” has been the subject of much debate within SME literature. Over the years many different views have been put forward regarding the activities and conditions that are required for growth to occur. There have been numerous different models of growth advocated (see Griener 1972, Churchill and Lewis 1983 and Bamberger 1989). These models reflect “stages of growth” approaches that Moran (2000) shows can only be taken as being illustrative, as owner-managers have individual motivations, plans and needs, and therefore they cannot be considered to be predictable in terms of growth patterns. This research sought to explore the issue of growth in selected SME’s by looking for patterns of behaviour that could be discerned in firms that had grown from inception by the founding owner-manager. The research defines what is meant by a “growth firm” in this context and it develops a number of non-linear systemic models to help understand the process of growth in the type of firms explored.

Methodology and Propositions

SME’s can be categorised not only in terms of size but by their attitude towards growth. There is the opportunity for the classification of owner-managers into two basic groups which exhibit different attitudes to growth; “lifestyle firms” and “entrepreneurial firms.” In addition leadership is identified as a key factor relating to both the issue of strategy and competitiveness, and the literature would seem to take the view that the leader of the business determines strategy which impacts on the competitiveness of the firm and the subsequent growth that is achieved.

In order to attempt to consider these views from an holistic perspective, systems ideas were employed to conceptually model the assertions regarding the types of approaches to strategy identified, as well as the process followed by “life style” or “entrepreneurial firms” in relation to growth, and the impact of leadership in this context.

In order to investigate the perspectives identified above, Soft Systems Methodology modelling (Checkland 1981) was used. This type of approach seeks to address what the system is trying to do, how the transformation is used to achieve this, and the underlying purpose, the “why” of the system. Crucial to this type of modelling is the concept of *Weltanschauung* (“W”) or worldview, which implicitly rejects the concept of unity of purpose. The underlying feature of the systems paradigm is the concept of “holism” and the process of being able to identify the wider whole is of paramount importance. It accepts that by breaking the whole into parts for analysis, some knowledge may be gained, but simultaneously, properties needed to understand the system as a whole are lost. Understanding of the emergent whole, through synthesis of the parts, is more meaningful in systems thinking than trying to use analysis through reductionism.

The soft perspective takes the process of systemic inquiry as being a learning system that can be used to explore the observer’s perceived world. This shift of systemicity from taking the world to be systemic, to taking the process of inquiry to be systemic, is of crucial importance to the understanding of the soft systems paradigm. The hard determinative perspective that uses systematic approaches to modelling may well contain a systemic perspective of the world; however, the deterministic view of unitary purpose, and of achieving this purpose from a machine-like approach fails to account for the systemic process of inquiry that soft systems usage seeks to encompass. *In essence, “soft systems thinking” is epistemological and “hard systems thinking” is ontological.* Therefore soft systems ideas can be used to investigate and explore an area of interest in a recoverable and meaningful manner. In this work a firm was considered to be a “human activity system” that could be explored using soft systems principles.

Using the doubly systemic perspective of the soft systemic paradigm when considering a firm as a “human activity system” takes the process to be not only systemic, in that it can be modelled, but also doubly systemic in that such modelling can lead to learning that can be used to improve understanding of the area of review. The work undertaken used this concept to consider the area of research and to model the predominant “Ws” that emerged from the literature.

Results and Implications

This work concludes that growth is not the product of an inherent disposition, a character trait (see Chell et al 1991, Gibb 1992); it is the product of specific perception and reactions to on-going situations and the development of individual heuristics to deal with these. “Entrepreneurs” may be more disposed to grow a firm but “lifestyle firms” can still grow if the “right” perceived circumstances are identified and resources are allocated to pursue them. This work maintains that the growth propensity of an owner-managed firm is contingent on the owner-managers appreciative settings and cognitive framework at any given point in time. Growth in this context can therefore be taken to be an emergent property of the developing of learning and enhancing of appreciation, and the subsequent action and heuristic development that is taken as time unfolds. This work shows that the SME community is heterogeneous in nature and the development of an individual firm’s heuristics reflects the developing and changing cognition of the owner manager. These heuristics are used to derive systems and processes that assist the development of the firm.

EXTERNAL ORIENTATION AND BUSINESS MODEL ADAPTATION IN YOUNG AND NASCENT FIRMS: PRELIMINARY ANALYSIS FROM THE CAUSEE PROJECT

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Principal Topic

Sustained superior performance in new and fast moving environments depends crucially on the deployment and re-deployment of superior strategic assets as appropriate for those environments. One such asset is the firm's business model.

Adaptation of the business model should therefore be an important area of practitioner and scientific interest (Chesbrough and Rosenbloom 2002; Pateli and Giaglis 2004; Zott and Amit 2007.)

Practitioners, in this sense, also include for example financiers and public policy makers. They have an interest in knowing whether firms have the capacity to adapt and innovate, as well as how they should adapt over time. While financiers might wish to intervene directly in the change process (Lerner 1995), public policy makers should aim to provide appropriate regulatory and related support for the effective evolution of business models and regional economic development (van der Sijde and van Tilberg 2000; European Industry Fund 2005; Lazzaretto and Tavoletti 2005.).

There have been several examples of scholarly research in the field of business model adaptation (Papakiriakopoulos et al. 2001; Petrovic et al. 2001; Krueger et al. 2003; Andries and Debackere 2006; Swatman et al. 2006; Andries and Debackere 2007). They are, however, mostly focused specifically on eBusiness. They are also theory-based, rather than having been developed from observations in the field.

Despite its very short history of academic research, the literature on business models is sufficiently mature to move beyond the definition stage, no longer at risk of being a mere fad once the dotcom bubble burst (Osterwalder 2004), but being heralded as a potential substitute for industry as a unit of analysis (Osterwalder et al. 2005). In fact, it has also moved beyond a focus on e-business (Mahadevan 2000; Afuah and Tucci; Amit and Zott 2001; Weill and Vitale 2001) to other sectors such as biotechnology (Bigliardi et al. 2005; Pisano 2006; Rothman and Kraftt 2006; Willemstein et al. 2007). Indeed, Malone et al (2006) conducted a wide-ranging empirical study of all publicly-traded US companies in COMPUSTAT from 1998 through 2002, during which they found that business model "is a useful construct and can predict performance." (Malone et al. 2006: 4.)

In the final paragraph of their study of Xerox Corporation's experience with business models and innovations, Chesbrough and Rosenbloom (2002: 552) highlight the importance of understanding the process by which business models develop and evolve.

They start the paragraph with:

We need to learn more about the forces that facilitate and impede the search for constructive adaptation in the elements of an extant business model.

They hypothesize a difference in this respect between "independent ventures" and "established firms", consistent with Zahra et al (2006). Finally, they end the article by saying: "These issues are well worth further exploration."

Pateli and Giaglis (2004: 311) consider business model adaptation to be an important stream of research, with potential to provide useful structures or guidelines for purposeful action. It is also "one of the most challenging areas for business model research in the future", partly because existing research on this topic was still very tentative and generic, partly because of the integrative - hence complex - nature of the question:

... when innovative business models are considered, research to date is yet to satisfy the need for methods that can structure a firm's change endeavour either towards adopting a new business model or extending a current one to include new dimensions. (Pateli and Giaglis 2004: 310)

Method

Data on elements of business model design and change were collected in the CAUSEE Project.

Results and Implications

This paper will present descriptive data from the CAUSEE project, on the topic of business model change. We will highlight areas where high potential firms and technology-based firms are distinct from the general population of young and nascent firms. Preliminary analysis of the data suggests that these groups do behave differently in terms of number, frequency and type of business model change enacted. Studies of a qualitative nature will be required to complement these findings, in order to understand the 'how' and 'why' (or 'why not') questions. Further, it is not yet clear if this will translate into meaningful statistical analysis connecting business model change, rather than initial design, to improved company performance.

DEATH BY SUCCESS: NEW VENTURE FAILURE WHEN SALES INCREASE EXPONENTIALLY

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Principle Topic

The high failure rate of entrepreneurial new ventures (Timmons, 1994) has been argued to be due to the 'liability of newness' (Stinchcombe, 1965) and the lack of organizational inertia to carry the entity forward over unexpected obstacles (Hannan & Freeman, 1984, 1989). Later Shepherd, Douglas & Shanley (2000) argued that new venture mortality risk arises due to the ignorance of consumers, producers and managers. They observed that if consumers initially do not know about the new product and its user benefits, revenues may fall below projected levels and cause financial illiquidity and subsequent financial failure of the new firm. Similarly if production personnel within the firm initially do not know how to produce the new product efficiently, costs of production may rise and again the firm may encounter financial difficulty due to cost levels rising above budgeted levels. Finally, if managers initially do not know (enough) about specific aspects of management, then revenues are likely to be lower and costs higher than projections and the firm may suffer negative cash-balances and fall into bankruptcy. As time passes and all parties learn from experience and or otherwise informed by some means, the mortality risk of the new venture falls exponentially to approach that of best-practice firms. Moreover, this convergence to best-practice business risk can be accelerated by downward shifts of the mortality risk curve due to managerial interventions that provide pertinent information to consumers typically via marketing efforts, and to producers and managers such as training programs (Shepherd et al., 2000).

Thus the extant theory says that the new venture becomes less likely to fail as its sales grow, but we all too often see high-growth new ventures suddenly declare bankruptcy even as their sales are growing exponentially. This seems incongruous and we investigate the reasons for seemingly successful entrepreneurs being suddenly 'blindsided' by inescapable illiquidity. We contend that the confluence of two common business phenomena causes new venture mortality risk to rise dramatically when these phenomena interact, and that management ignorance of this potent combination will result in new venture failure unless specific risk reduction measures are undertaken beforehand in the full expectation that this risk will arise and will intensify.

The first phenomenon is the rate at which the market adopts the new venture's product. Casual empiricism suggests to the authors that most nascent entrepreneurs expect to launch into the market with immediate sales which will then increase at roughly linear rates each year thereafter. But in reality the sales of new products diffuse through the market in a predictable non-linear manner, as demonstrated by the 'diffusion curve' literature in the Marketing domain (see, e.g. Rogers 1962, Bass, 1969; Mahajan, 1995). Sales typically start very slowly and increase at an increasing rate before increasing at a decreasing rate as the new product approaches its maximal share of the market.

The second phenomenon that, if present, interacts unfavourably with the diffusion curve is that new ventures are often required by nervous suppliers to pay cash on delivery, or at best are allowed very short credit terms, and thus have little or no accounts payable, while on the other hand a substantial proportion of sales may be in the form of accounts payable, with payment lags of 30-60 days being common in business-to-business situations. Thus payments for input expenses mostly lead or are concurrent with sales while receipts mostly lag sales, requiring 'working capital' to bridge the gap. We demonstrate that as sales increase exponentially working capital needs also increase exponentially, and the firm that has not planned for this is likely to find itself in severe financial difficulty that might be inescapable.

Key Propositions

This is a conceptual paper that integrates knowledge from the marketing and accounting literatures into the entrepreneurship literature to argue that the conditions that lead to 'death by success' are predictable and should be mitigated by astute risk management by the entrepreneur. Based on these literatures, the paper provides a series of research propositions that might be studied empirically by subsequent researchers.

Results and Implications

We demonstrate that although ignorance risks (Shepherd et al, 2000) typically fall as the firm increases its sales, working capital risk rises dramatically as sales increase if the new firm is required to make payments in cash or on short term credit while simultaneously being subject to significant lags before payment for sales is received. Thus we contribute to the entrepreneurship literature by identifying a substantial risk category that has previously gone unmentioned in that literature, and which intensifies rapidly, potentially to such a magnitude that it causes the demise of what is otherwise a successful new firm. This risk category (working capital risk) nonetheless integrates with extant theory that new venture risk derives largely from ignorance by asserting that working capital risk is due to management ignorance of the typical diffusion curve of new product sales growth in combination with insufficient foresight with regard to working capital management. The paper provides a series of accounting ratios that might be applied in the context of high-growth new ventures to provide an early-warning signal to entrepreneurs that they are in danger of falling victim to 'death by success'. The findings have implications for nascent and practising entrepreneurs, for business advisors, for entrepreneurship educators, and for government policy. Finally several directions for future research are suggested.

ENTREPRENEURIAL SUCCESS FROM THE PERSPECTIVE OF THE ENTREPRENEUR

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Principal Topic

Knowing who can achieve entrepreneurial success has important implications for the efficient allocation of resources and minimising the costs of entrepreneurial failure (Caliendo and Kritikos 2008). A measure of entrepreneurial success would facilitate the identification of current and future successful ventures, and also improve public policies designed to improve the success rate of start-ups (Fried and Tauer 2009). Despite much being known about economic, individual, and environmental factors antecedent to entrepreneurial success, how success should be measured and what indicates the achievement of entrepreneurial success is not generally agreed in the literature. However, it has recently been observed that this is an issue for entrepreneurship scholars, and one that is worthy of detailed investigation (Baron and Henry 2011).

Entrepreneurial success could be broadly defined, exclude typical business and economic measures of success such as profit, revenue turnover, growth, size, wealth maximisation, and focus only on psychological indicators such as satisfaction with perceived rewards. Success could also be recognised by survival beyond a point in time, or simply by the fact that the venture is in existence and others are not. The achievement of entrepreneurial success may have a temporal aspect, that is entrepreneurial success has been achieved at *this point in time*.

Method

This research uses mixed methods to conceptualise and then test a construct for entrepreneurial success. An attempt to capture the construct *entrepreneurial success* was made using two sources of information: the entrepreneurship literature and the data emerging from qualitative interviews with 10 successful founding entrepreneurs. Ten items were developed seeking to capture the construct *entrepreneurial success*, which were then included in a quantitative survey of 215 founding Australian entrepreneurs.

Results and Implications

The results were subject to exploratory than confirmatory factor analysis. EFA using PCA (n=107) generated a single factor comprising five items with Cronbach's $\alpha=.74$. The four items were then subjected to CFA using a different data set (n=108). The data fitted the model: $\chi^2(5)=11.05, p=.05$, SRMR = .05, RMSEA = .11 (.00, .19), TLI = .87, CFI = .94. The results suggest content and construct validity and scale reliability.

This research offers a contribution to the call for a discussion about what constitutes entrepreneurial success by developing a construct of entrepreneurial success that has been captured in a factor and scale. This research results suggest that entrepreneurial success is a function of the entrepreneurs' personal satisfaction with their lives as an entrepreneur and their ventures in terms of growth and attainment of their goals. The existence of a validated scale provides researchers with the opportunity to include entrepreneurial success as a variable in testable models.

ENTREPRENEURIAL UNIVERSITIES IN VICTORIA: AN ANALYSIS OF UNIVERSITY- BASED ENTREPRENEURSHIP ECOSYSTEMS

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A State of Victoria, Australia, report asserts that concept of the entrepreneurial university in Australia has “never been taken seriously” and had been “found to be lacking in validity” (State of Victoria, 2010, p. 83). This is a curious statement given that dozens of eminent research universities outside of Australia have adopted this strategic approach. This article reviews of the field of ‘university entrepreneurship’ with emphasis on the concept of ‘Triple Helix’. It takes as its case study the nine universities in the State of Victoria. In what sense are Victorian universities entrepreneurial? What are the key facilitators and barriers to becoming a more entrepreneurial university? Which elements of an ‘entrepreneurship ecosystems’ do these universities possess? The basic approach of the study is hermeneutic in that it relies on the interpretation of sense-making, the process by which people give meaning to experience. We take as our case study twenty-seven respondents in nine universities within the State of Victoria, Australia. The literature review led to the choice of three instruments previously used and validated. My findings show that Victorian universities, if they identify with the concept of entrepreneurial university at all, believe that such a university is one that adopts commercial methods and values and one that engages in commercialisation of research. There is little knowledge of the other schools of thought such as corporate entrepreneurship, Triple Helix, or entrepreneurial ecosystem approaches. The gap between world best-practice and Victorian practice is not being addressed.

NICARAGUA: CULTURAL IMPACTS ON ENTREPRENEURIAL DEVELOPMENT

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Principle Topic

According to Thomas Friedman (2005), the world has experienced three great eras of globalization. The first period, from the 1400 hundreds to around 1800, was driven by countries seeking new resources. During the second period, from the 1800s to roughly the year 2000, global integration was driven by multinational companies seeking new customers, new locations for manufacturing, and new collaborations for economic gains.

According to Friedman, the third period beginning in the 21st century will be driven by individuals through entrepreneurial action, as technology provides newfound power for individuals to collaborate and compete globally. And while the first and second periods of globalization were dominated by Western countries, companies, and explorers, the third wave of globalization will be driven by a more diverse group of individuals.

And yet entrepreneurship and small and medium enterprise (SME) research has almost exclusively focused on North American and European countries. The body of knowledge for non-American and non-European entrepreneurship and SME is extremely limited. Bruton, Ahlstrom, Obloj (2008) found only 43 articles on entrepreneurship in emerging countries in a journal review of nine top journals for entrepreneurship research from 1990-2006, and the majority of those articles focused on the former Soviet Union and the People's Republic of China. While little is known about emerging economies, there is even less known about developing economies.

Generally speaking, developing countries are characterized by weak and vulnerable institutions, and a chronic lack of resources, capacity and training. And yet these countries do not suffer from a lack of entrepreneurship. In fact countries with lower levels of GDP have generally higher levels of early-stage entrepreneurial activity, especially necessity driven entrepreneurship, and more very small companies (Global Entrepreneurship Monitor, 2010). It is estimated that on average nine percent of the adult population is actively attempting to launch a new venture at any given time. However in some developing and emerging countries entrepreneurial activity can include more than 40 percent of the population.

One could hypothesize that the under-developed economies, and under-developed subpopulations of developed economies, will follow similar development paths for entrepreneurial activity and SME growth. Yet the rate and types of entrepreneurial activities vary widely among nations (Global Entrepreneurship Monitor, 2006, important cross-national differences exist in the profiles of emerging countries (Manolova, Eunni, Gyoshev, 2008), and assumptions from developed and emerging economies may not apply to developing countries (West, Bamford, Marsden, 2008).

For example, entrepreneurship research has assumed profit-maximization and self-interest maximization (Bruton, Ahlstrom & Obloj, 2008), which may not be universally held in emerging or developing cultures, nor in some sub-cultures in developed economies.

Knowledge about women's entrepreneurship in developing economies is also limited, despite the fact that 25-35% of women in Latin America and Caribbean countries are self-employed (Weeks and Seiler, 2001).

"Most of the available literature on women's business ownership has concentrated on entrepreneurial development in industrialized countries at the national level and within the less developed informal sector. Very little is available on the role of women entrepreneurs in the global economy." (Susanne Jalbert, 2000) Although we would expect to find more similarities than differences with men entrepreneurs, as we do in the United States, we might hypothesize that women entrepreneurs in Latin American cultures might have different motivations for starting their business, access to capital, other resources and networks, growth goals, and perceptions of environmental support.

Method

In the first phase of the research we conducted in-depth interviews with a twelve business owners, representing three sizes of businesses: micro-enterprise, small, and medium business owners. Our interview method was semi-structured and the questions mostly open-ended.

In the second phase, using the information collected through the interviews, we constructed a questionnaire, which we tested and revised. We used some questions from the Panel Study of Entrepreneurial Dynamics (PSED) and the Global Entrepreneurship Monitor (GEM). However, because of our in-depth interviews we realized the need to add additional questions to capture the unique environment of Nicaragua, for example we added questions to the PSED questions on motivations for starting a business to capture the difference in culture between Nicaragua and the United States.

Data is being collected on-line if respondents have computers and internet connection, and face-to-face if they do not. We have already collected over 200 responses through the internet and are in the process of collecting 500 face-to-face. Our sample is being chosen to as accurately reflect as possible the business population in Nicaragua as to geographic location, type and size of business, and sex of the business owner.

The general topics covered by the questionnaire include

- 1) The history of the business, when founded, precipitating events, results;
- 2) Motivations for starting;
- 3) Family history, whether mother or father or other relatives were business owners;
- 4) The availability and use of training, consulting and financing resources, and the perception of usefulness;
- 4) Environmental perceptions of entrepreneurial role models, news/media coverage of entrepreneurs, cultural perception of entrepreneurship;
- 5) Aspirations for business;
- 6) Challenges faced to get the business to the next level.

Results & Implications

At present there is very little known about entrepreneurship and women's entrepreneurship in Central America. Just recently the first country (Honduras) joined the GEM research project. But the economic history and development of Nicaragua does not necessarily parallel Honduras, so there is an opportunity to compare the findings from our research to Honduras GEM, as well as to the PSED findings.

Since our research project has a longitudinal design (we will be collecting data twice a year for a minimum of five years), the paper presented will set the stage for an in-depth look at entrepreneurial development in Nicaragua.

JUST DO IT: ACTION'S CENTRAL ROLE IN VENTURE CREATION

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Principal Topic

Surprisingly, the conceptual model which casts action in a central role as the medium through which venture emergence is transmitted, remains largely untested in the extant literature. Rather, prior research in nascent entrepreneurship has often focused on direct effects models, attributing variation in outcomes to the impact that resource endowments have (Davidsson & Honig, 2003; Parker & Belghitar, 2006; Samuelsson & Davidsson, 2009; Reynolds, 2011). While there is some expirical support for this approach: With venture resource attributes such as human capital (Alsos & Kolvereid, 1998), access to social capital (Davidsson & Honig, 2003) and financial capital (Gartner, Frid, & Alexander, 2011) demonstrating some influence on venture creation. Models where these various factors are expected to have independent impacts on outcomes are theoretically unsatisfactory, as these factors can have no influence without action (Shane, 2003). A more complete model for venture creation must take action into account in order to better explain outcomes. Resource attributes remain inanimate if not for the actions of the nascent venture. Therefore, this paper focuses on the actions taken prior to emergence as mediator between venture resources and venture outcomes.

Methodology and Propositions

We use data collected as part of the Comprehensive Australian Study of Entrepreneurial Emergence (CAUSEE) (Davidsson, Steffens, Gordon, & Reynolds, 2008) to assess the role action has in driving venture outcomes, and mediating resource effects. CAUSEE is a panel-study of venture creation attempts as they unfold. Participants were drawn from a random sample of 493 nascent ventures, prior to them achieving consistent outcomes in the market. The data analysed in this paper represents the first two years of annually conducted interviews. Interviews yielded information on the resources available to the venture, as well as the actions taken in order to establish the venture.

Results and Implications

The mediation model for venture creation action developed here found strong empirical support in the random sample of nascent ventures. Ventures with higher levels of human or social capital were found to be more active in venture creation. In turn, more active venture attempts were more likely to achieve improved venture creation outcomes. Further, human and social capital, on their own, exhibited little direct influence on the venture outcomes achieved. These findings clearly confirm action's central role in the venture creation process, and contribute to entrepreneurship theory.

So, while venture attributes, and resources at hand, themselves may be influential this is of little actionable assistance to practitioners facing resource constraints. This research suggests that being active is perhaps more vital for venture creation. More active venture attempts are more likely to be more successful. This suggests that ventures less endowed with access to human and social capital, may be able to compensate for this deficiency by actively engaging in their venture creation.

A SEQUENCE ANALYTIC MODEL OF ENTREPRENEURIAL DISCOVERY AND EXPLOITATION PROCESSES

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Principal Topic

Although entrepreneurship scholars are showing interest in processes of entrepreneurial action (van de Ven & Engleman, 2004), there remains little consensus on conceptualization, operationalisation, analytical approach, or results. Some agree (Zahra, Sapienza, & Davidsson, 2006) the twin concepts of entrepreneurial discovery and exploitation (Shane & Venkataraman, 2000) are useful sub-processes which, together, explain venture emergence (Davidsson, 2008). Here, an implicit assumption is that discovery is enacted prior to exploitation (Kirzner, 1979; Eckhardt & Shane, 2003, 2010). However, other literature questions the strictness of this ordering (Bhave, 1994; Sarasvathy, 2001), or suggests that discovery and exploitation might overlap (Davidsson, 2008) or even converge (Baker, Miner, & Eesley, 2003).

The order in which a process plays out in time is assumed “important to the integrity of a phenomenon” (Huy, 2001: 613). In fact, “many process theories are founded on the idea that there are fundamental similarities in the patterns of event sequences across cases” (Langley, 1999: 697). Moreover, the order in which a process plays out in time is considered influential in driving outcomes of that process. However, despite this inherent importance, there is a dearth of conceptual and empirical research accounting for the temporal structure (Kelly & McGrath, 1988) of new venture emergence. As a result, this order hypothesis remains largely untested. This is a fundamental gap in our understanding of the venture creation process. While we know that different conceptualizations suggest different orders for discovery and exploitation, we do not know whether this matters in any substantive sense. Informed by these observations, the central question to be addressed is as follows: Is there a general order to the venture creation process? Further, does the specific order in which a venture creation process is executed drive outcomes?

Method

We use data collected as part of the Comprehensive Australian Study of Entrepreneurial Emergence (CAUSEE) (Davidsson, Steffens, Gordon, & Reynolds, 2008) to test the discovery-exploitation order hypothesis. CAUSEE is a panel-study of venture creation attempts as they unfold. Participants were drawn from a random sample of 493 nascent ventures, and have thus far participated in two annual interviews. Responses to questions about thirty possible venture creation activities were used to measure the discovery and exploitation sub-processes. The resulting data essentially consists of a timeline, or the activity sequence undertaken during venture emergence. Of these activities, nine dealt with the conceptual side of the venture and thus operationalize discovery, while the remaining twenty-one operationalize exploitation. Month-of-completion information was used to establish the order in which these activities occurred, or co-occurred.

As few analytical methods systematically account for temporal order, a novel analysis technique was adapted from sociology (Abbott, 1995) to analyse the dual discovery-exploitation processes. This sequence analysis method corresponds with the process nature of the phenomenon (van de Ven & Engleman, 2004), inherently includes order, and allows for entire timelines of activity to be analysed simultaneously by generating metrics of sequence similarity.

Results and Implications

Consistent with sequential theories of discovery-exploitation, the general flow of venture creation was found to be directed from discovery toward exploitation in the random sample of nascent ventures. Results establish that, as theorised, distinct discovery activity more likely occurs early in venture emergence - falling away as it unfolds. Distinct exploitation activity seems increasingly likely as venture creation attempt approaches conclusion, providing evidence for implicit order. However, venture creation attempts which specifically follow this sequence derive poor outcomes. Results also show both discovery and exploitation activity may occur at any stage of emergence, and extremely complex sequences are evident. Virtually no two sequences of activity are exactly the same. Moreover, simultaneous discovery-exploitation was the most prevalent temporal order observed. This suggests that discovery and exploitation processes are temporally entangled. Further, venture attempts that proceed in this manner more likely become operational. Thus, contradicting the implicit order hypothesis, and giving cause to question linear theories of entrepreneurial emergence.

ENTREPRENEURIAL DEVELOPMENT AND CAPACITY BUILDING IN A UNIVERSITY PRE-INCUBATION PROGRAM

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Principal Topic

This paper considers the phenomenon of university pre-incubation, in which entrepreneurs receive intensive mentoring and support within a university environment and are then expected to progress into more traditional incubators, science parks or separate business residences. A review of the evidence on business incubators suggests that they are generally less successful than government spending warrants, with motivation outcomes being only minor and the effect on business survival barely appreciable (Tamasy 2007). This study examines a pre-incubator programme that has achieved a 79% success rate for converting the new business ambitions of entrepreneurs into operating businesses over a sustained seven year period. Twelve months after cessation of the programme, 90% of those entrepreneurial ventures are still operating.

The research finds that the pre-incubation model does not fit neatly with business incubation literature, as the emphasis is not placed on business start-up but rather entrepreneur development that in turn underpins business start-up activity. Instead, we find that pre-incubation tends to have characteristics more akin to a university graduate entrepreneurship program which focuses on the interactions between graduate students and their intent, motivation and abilities to initiate a business (Nabis and Holden 2008). We also identify that pre-incubation has similarities to university technology transfer and commercialisation activities, as the programme participants were often involved with creating businesses around technology which had its origins within their university studies or relationships. However, by comparison, we find that pre-incubation goes further than graduate entrepreneurship programs in that the objective is for the graduate to actually start a business, but appears to fall short of a traditional technology transfer and commercialisation model, as the core of the business is not routinely university owned technology. Therefore, in this paper we explore the literatures from all three areas to locate the theoretical underpinnings of the unique context of the university sponsored pre-incubation programme.

Method

The research takes a qualitative approach and deploys an interpretive method in order to establish the contributions of the pre incubation programme to the journey of pre-incubation entrepreneurs – from idea to operating business. Specifically, stakeholder contributions within the programme are examined to determine how they directly and indirectly influence the personal and professional development of the entrepreneur and how this in turn has affected the entrepreneurial outcome, i.e. an operating business. A 'snow-ball' sample of 8 entrepreneurs was included in the study.

The method comprised of collecting data through a series of interviews with multiple stakeholders including program managers, funders, entrepreneurs, partners, etc. The data was analysed with nVivo to create hierarchical relationships between occurring concepts. The first level of analysis explored the key conceptual themes and related this to observations from the literature to isolate commonalities and differences between the related knowledge domains. The next level of analysis interrogated the data further to identify the hierarchical relationships that are suggested by the data to emerge key propositions for further investigation. Distilling the analysis leads to isolating further research needs particularly with respect to areas of action, reaction, responsibility and preconditions that signal the need for intervention or contribution by elements of the programme. A summation of the analysis draws conclusions observable from the data that highlight the importance of contributions and support from a developed community of practitioners with shared interests in entrepreneurial activity and business start-up.

Results and Implications

This research highlights the importance of a university community that is concerned with the personal and professional development of entrepreneurs and entrepreneurial actors. Entrepreneurs in the pre-incubation programme were individuals of various levels of experience; some with no previous exposure to business creation and others who could be classified as serial entrepreneurs. The nature of the programme focussed on development of the entrepreneur rather than the business need; the latter being the focus of most traditional incubator models. In most cases however, the needs of the entrepreneur and the business overlapped, particularly in cases where the business idea was more advanced. Findings show that regardless of stage of business development, entrepreneurs in the pre-incubation programme gained personal and professional enrichment, with the programme carefully and holistically responding to the entrepreneur's individual needs; e.g. the programme provided both structure and rigour but with sufficient flexibility to cater for individual entrepreneur support. Findings show that business mentoring was perceived by entrepreneurs as much more valuable in their personal as well as business development than technology mentoring (i.e. a business mentor and a technology mentor were appointed to assist each pre-incubation entrepreneur). The findings are highly relevant to entrepreneur educators and those who seek to support and foster entrepreneurship; particularly those involved with commercialisation and policy-makers who seek to build entrepreneurial capacity in their regions. The research also invites further investigations that examine incubation environments, ecosystems and ecosystem interactions.

EXAMINING THE ENTREPRENEUR-BUSINESS ANGEL INVESTOR RELATIONSHIP AND ITS EFFECT ON INVESTMENT OUTCOMES

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Principal Topic

Business angel investing remains a poorly understood phenomenon despite its prominence in supporting entrepreneurial ventures (Shane, 2007). Most studies on private equity investment have focused on flows of investment rather than investment decision-making processes (Wright et al, 2006; Mason and Harrison 2004) or on the investment criteria used by venture capital (VC) investors (Kollmann and Kuckertz, 2009; Lerner, 2005). Literature suggests the need for further research on angel investment decision making, due diligence and investment management (Sohl, 2007; Mason and Harrison, 2004; Sohl, 2003) and further study to understand how entrepreneurs overcome information asymmetry between themselves and potential investors to obtain financing (e.g. Shane & Cable, 2002). Kelly and Hay (2003) suggest further research to understand how the post-investment relationship between entrepreneurs and business angels may affect access to further rounds of investment (Kelly and Hay, 2003). At the same time, research on business angels confronts a number of challenges, namely that the risk capital market is largely invisible, fragmented and inherently private in nature and thus difficult to access by researchers (Mason and Harrison, 2008; Shane, 2007; Mason, 2007; Baty & Sommer, 2002; Freear and Wetzel 1992). Mason (2007) identifies the need for stronger theoretical foundations in business angel research.

In this paper, we examine the relationship between entrepreneur and business angel investor to determine what particular characteristics of the relationship are most influential on investment processes and outcomes. A distinguishing feature of the paper is its integration of perceptions of the investment relationship from both the perspective of the entrepreneur and investing business angels that spans the entire time period of the investment process.

Method

The paper examines the entrepreneur-investor relationship between the founder of one of Europe's most successful technology companies and the two co-founders of one of the largest and most successful business angel syndicates (BAS) in Europe. The study benefits from a generous level of access to these three actors in order to assess an investment relationship which spanned 13 years, culminating in an initial public offering (IPO).

The research takes a qualitative approach and deploys an interpretive method in order to examine the perceptions of the three key actors to the investment process through three stages: pre-investment, investment and post-investment. The method comprised of collecting data through a series of interviews with the three actors, as well as with the legal team that intermediated the initial investment deal and subsequent rounds of investment. We follow process evaluation guidelines that are described as most relevant for ongoing assessment of perceptions of people, the context or 'milieu' where they are found and the less understood external factors affecting a phenomenon (e.g. Gregory & Martin 1996; Silverman 1993; Patton 1987;; Bulmar 1986). We also follow guidelines suggested by Vincenti (1990) in exploring the tacit knowledge of people that is critical in the recalling of past events.

Results and Implications

In identifying key factors of the entrepreneur-investor relationship that contribute to a successful investment outcome, the study suggests important lessons for entrepreneurs and angel investors. Findings reveal that trust and mutual respect of others' perception of the business opportunity are the two most important relational characteristics during the pre-investment stage. At the same time, the role of the entrepreneur in convincing the investors of the need for a new technology through a practical demonstration and the investors' respect for the entrepreneur's product development background were also identified as critical factors leading to the decision to initially invest. Upon investment, the willingness to negotiate to determine an agreed route to market was identified as most important in securing the next round of investment. The venture took almost 7 years before it sold a product and the need for the entrepreneur to verify the comparative advantage of the technology to the investor during this time was facilitated by regular, ongoing meetings driven by the investor. Findings support previous observations that angels are patient investors that often do not force exits from their investees (e.g. Mason, 2008). The matching of personalities and the ability to establish a good working relationship were identified by the actors as the two most important factors contributing to the longitudinal success of the relationship and which directly influenced the ability of the entrepreneur to secure multiple rounds of investment.

Findings offer important policy lessons. The ability of the investors to support a successful but lengthy investment process was aided by changing local socio-cultural conditions favouring angel investing, including a number of important public interventions stimulating access to further funds. Further, the investors' success in other investments facilitated further investors joining the business angel syndicate, allowing for a larger investment pool that aided further funding rounds prior to the IPO. During this time, all three actors identified the critical learning effect and breadth and depth of knowledge from their relationship that led to appropriate market and strategic decisions and the IPO.

Findings offer theoretical contributions related to relationship effects on investment processes and investment outcomes in a business angel context. We suggest that a positive investment relationship may minimise search and transaction costs for entrepreneurs and investors and allow the actors to get on with the investment deal and building of the business rather than attempting to mitigate risks and closely manage performance (e.g. Demsetz 1988). Such a positive relationship in the pre-investment stage may minimise the incentive problem arising when investors must identify, manage and monitor their investments and undertake legal and other contractual activities. Further, the relationship between social capital, knowledge capital and financial capital offers further possibilities for theory building.

TOWARD AN UNDERSTANDING OF THE CAPITAL STRUCTURE OF FRIEND AND FAMILY FINANCING

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Principal Topic

This paper investigates the relevance of capital structure theories to investment behaviour of family and friends (F&F) in new venture start-ups. It develops a conceptual model to overcome the limitations of these theories and provide a deeper understanding of the activity.

Entrepreneurs typically finance new ventures through self-financing, loans, bootstrapping and equity investment. About US\$196 billion annually is sourced from F&F investors. Capital structure theories have been used to explain how entrepreneurs choose the type and source of their finance. Further, firms utilize different forms of finance at different lifecycle stages. Contemporary research into early stage finance primarily has used capital structure theories when examining informal business angel and formal venture capital investors. F&F finance research using capital structure theory is, however, scant.

Method

The research questions include, "How well does capital structure theory explain F&F investment in new venture start-ups?" and if not, "How can we better understand the phenomenon of finance from friends and family".

This paper develops a conceptual framework that builds an understanding of the phenomenon. The subject under study is a new area of investigation, and theory development, not theory testing, is the aim of this research. Exploratory in depth interviews were used to gather the data. The interviews were completed in two distinct phases. The first consisted of 22 interviews with investors, entrepreneurs, advisors and experts. The data from these interviews, using theoretical sampling techniques, was analysed and conclusions drawn. The second round of 20 interviews, informed by the findings of the first round, was with early stage venture entrepreneurs who had received finance from people they knew, and investors who provided finance to people they knew to start a venture.

The paper concludes that the phenomenon is difficult to adequately explain using capital structure theories. A major finding is that the unit of analysis and economic assumptions in capital structure theories are framed from the perspective of the firm, yet this phenomenon is couched in individual and network relationships.

A conceptual model is presented that assists in understanding the motivations, impact, and consequences of friend and family investment. The model departs from capital structure theory and provides a deeper understanding of the activity.

Implications

Theoretically, this paper contributes to the understanding of the limitations of existing theory and identifies the need for new theoretical development in this under-studied area of entrepreneurship. It provides a conceptual theoretical base for a deeper understanding of the phenomenon.

Practically, an improved understanding of F&F investment can assist strategy development for entrepreneurs, investors and advisors.

Understanding the shortcomings of existing financial theories will enable policy makers to devise and implement better policy that takes into account this very significant economic activity.

F&F finance is a significant phenomenon yet has attracted little research to date. The need for theory development is clearly established by this paper and it identifies the value of such research to the understanding of entrepreneurship. The paper provides a rich and deep description of the activity which is of benefit to academics, practitioners and policy makers.

THE DEVELOPMENT OF ENTREPRENEURIAL LEADERSHIP: THE ROLE OF HUMAN, SOCIAL AND INSTITUTIONAL CAPITAL

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Principal Topic

Entrepreneurial leadership is emerging as a critical issue in our understanding of the dynamics of economic development in the twenty-first century. In this paper we contribute to the debate that frameworks of human capital and social capital can illuminate both the entrepreneurship and leadership domains. Further, we argue that these accounts should include analysis of the role of institutional capital to fully understand the development of entrepreneurial leadership in its everyday practices and discourses. We explicitly focus on the challenge of understanding entrepreneurial leadership in the context of the smaller entrepreneurial company, a relative *terra incognita* in contemporary leadership research.

We argue that exploring the founder/entrepreneur of a small emerging firm as a leader has yet to be a major area of study, although the development and challenge requirements in the small entrepreneurial firm are different from larger organisations.

In so doing, we recognize that the role of the leader changes as an organisation grows in size and complexity. Entrepreneurial leadership increasingly becomes a distinct form of leadership during the growth process as the informal management and leadership practices that are most effective in emergent businesses need to be replaced by more formal ones as they grow - the need for leadership development is therefore a unique path dependent situational 'tipping point' challenge.

Our research is structured around three questions. First, what is the role of human capital in leadership development? Second, how is leadership development as a social process enacted in the entrepreneurial domain? Third, what is the role of social and organisational context in entrepreneurial leadership development? In so doing, we build on an emerging tradition of research taking a process-relational perspective on entrepreneurship and leadership development. In this entrepreneurial leadership is viewed as a social process enacted through everyday active encounters as a practice of relational learning.

Method

Given that our analysis of entrepreneurial leadership development is grounded in the understandings and personal experiences of our research participants, we adopt an interpretivist approach. Data were collected from a cohort of eight business leaders who took part in a leadership development programme. Their selection was based on a purposive sampling strategy, to include entrepreneurial leaders who were consciously attempting to develop their leadership capability. To ensure commonality of experience and allow for differential developments over time of the impacts from a common learning intervention all participants came from a single cohort. A two stage data collection process was followed: each participant was interviewed individually 12 months after the end of the programme; following analysis of these transcripts two focus groups were held four months apart. These involved all eight participants and explored in more detail their experience of the dynamics of leadership development during and after the programme.

Results and Implications

We conclude from this analysis of entrepreneurial leadership development that the primary focus of these leaders at the outset was on the enhancement of their skills, knowledge and abilities – their human capital. This was largely based around their understanding of the development of their leadership role through their response to challenges facing the business, challenges facing them as individuals, management challenges and the challenge of learning how to lead. In practice this human capital enhancement only occurred through the development of their social capital. In this, a central role was played by the development of peer-to-peer interaction and trust building within the group as well as peer-to-other interaction based around the role of the programme director. While we acknowledge that there is a potential tension between human and social capital theoretically and pragmatically, they cannot in practice be discussed separately. In the specific context analyzed in this paper leadership development inevitably shows in the enhancement of the skills and abilities of the leader; leadership development in turn requires and relies on a social capital-based leadership development process.

Beyond this, however, the context for leadership development in the entrepreneurial domain requires the development of institutional capital – formal structures and organisations – which enhances the role of social capital. As such, the development of institutional capital provides the basis for creating, enhancing and encouraging horizontal ties among the members, where they view each other as peers and partners, look toward each other, build awareness of each other and consider each other as resources: "horizontal ties among them become part of the strength and resources of the organisation itself. Members learn that together they can do things that they would be unable to do alone" (Anderson, 2010: 10).

Using a retrospective, real-time, interpretivist research methodology, which is focused on uncovering the everyday practices of entrepreneurial leadership development, we conclude that in the situational context of the entrepreneurial firm, at least, the social capital theory of leadership development, while valuable in understanding the process, is limiting. In such firms the current distinction between leader development as the acquisition of skills and abilities and leadership development as a socially situated process is difficult to maintain. Thus, an expanded theory of leadership development in this context, which incorporates recent thinking on the role of institutional capital is proposed.

BEYOND THE FUNDING ESCALATOR: THE CHANGING NATURE OF BUSINESS ANGEL INVESTING IN THE UK

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Principal Topic

The financing of growing businesses, which require access to equity finance as well as debt finance, has typically been conceptualised as a funding escalator, with each stage – or step – in company growth associated with a particular source of finance, in a pattern typical of the predictions of the pecking order hypothesis. According to this, entrepreneurs will be driven to use internally generated capital first before turning to more expensive sources of financing by information asymmetries and transaction costs. Once these internal sources are used, firms will turn to debt finance (where the information asymmetry problem is less severe) and then to external equity. In other words, businesses initially get started on the basis of the funding of the founder/founding team and their family and friends (the “3Fs”) and then access business angels, venture capital and ultimately public markets in order to finance their growth.

This paper argues that the funding escalator is now broken and that the escalator model is no longer an appropriate model for the financing of growing companies (URS Corporation, 2010; Gill, 2010). This is largely as a consequence of a combination of the recent contraction in the size of the venture capital industry, the longer term withdrawal of venture capital funds from making smaller, early stage investments and the demise of the IPO market. The post-2007 funding crisis has exaggerated these effects by reducing bank lending to the SME sector.

The aim of the paper is sixfold. First, it reviews the changing nature of the funding escalator, identifies the extent to which it no longer functions and assesses the implications of these changes for business angels which are increasingly ‘the only game in town’ for businesses seeking early stage risk capital. Second, it reviews the latest evidence, from new data and from existing data sources, on the scale of the business angel market in the UK, confirming its importance to entrepreneurial growth-oriented companies. Third, based on a unique new database, it presents evidence on the nature and operation of the contemporary business angel market in the UK and profiles investment behaviour in that market. Fourth, it presents evidence on the changing scale of the market over time, using time series data on angel investing in the UK. Fifth, based on these analyses the paper considers a more appropriate

conceptualisation of the supply of finance for entrepreneurial companies for the second decade of the 21st century. Finally, it considers the scope for policy intervention in this new era.

Specifically, this paper addresses the following question: how has business angel investing changed over time, especially since the start of the 21st century, in response to the wider changes in both the supply of finance for entrepreneurial businesses and the demand for such finance. To put this in terms of the funding escalator, has the position of business angels in the funding escalator changed, and in so, what has been the nature of this change?

Method

We overcome the well-known data limitations of business angel research, at least partially, by focusing on the visible part of the market, that is, investments that are channelled through various types of organisation, or ‘portal’ (Sohl, 2007), established by both private and public sector organisations to facilitate the ability of business angels to invest and entrepreneurs to bring their investments to the attention of potential investors. Our analysis is based on three sources: (i) data collected in the 1990s and early 2000s from angel networks; (ii) aggregate investor and investment data for 20 business angel networks (BAN) that are members of the British Business Angels Association (BBAA), the trade association for England, Wales and Northern Ireland; and (iii) deal specific information covering individual investments made through these networks and through LINC Scotland, the national membership organisation for the business angel community in Scotland for both 2008/9 and 2009/10.

Results and Implications

Overall, we estimate the overall level of business angel investment in the UK in 2008-09 to be in the order of £426m, and we identify a significant fall in the level of activity in England and Wales in 2009-10. The key changes in the market are, first, that business angels are more likely to be involved in co-investing alongside other investors and second, that as a result the deals that angels participate in are much larger than previously. The evidence from Scotland further indicates that the market has become more organised as the result of the emergence of angel syndicates. The Scottish evidence also highlights how business angel groups have become critical in government efforts to address funding gaps by becoming the key partner in co-investment schemes.

From this most detailed research into the business angel ecosystem in the UK we conclude that there is some evidence of increased segmentation in the business angel market and that there is evidence for a collapse in the funding escalator. The paper concludes by drawing out the implications for policy and practice.

ENTREPRENEURSHIP EDUCATION IN VETERINARY MEDICINE: A CRITICAL REVIEW OF CONTEMPORARY PRACTICE

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Principal Topic

This paper presents a critical review of contemporary practice in entrepreneurship education within veterinary medicine. The key research question to be addressed relates to how entrepreneurship education can contribute towards the development of employable skills amongst veterinary students.

Graduates in the 21st century face an increasingly competitive and volatile employment market, and it is critical that they are equipped with skills enabling them to maximize their full potential (HEA, 2005). Regardless of their particular discipline area, future graduates will need to have greater ownership of their employable skills¹ as well as the confidence to cope with economic upheavals and capitalize on career opportunities. As a result, academic institutions have increasingly been put under pressure to illustrate how they are enhancing graduate employability (Dearing, 1997; BIS, 2009). In this regard, academic institutions offering veterinary Degrees are no exception (Henry & Treanor, 2010). Indeed, Veterinary Medicine is now recognized as a vast and exciting field of endeavor, involving the study, diagnosis, treatment and prevention of disease in animals, both as individuals and as groups (QAA, 2002, p. 1). There is also growing recognition that veterinary Science can contribute significantly to the understanding of human disease. As a result of these new opportunities within the sector, there has been a considerable increase in the number of veterinarians trained and working in the UK (Lowe, 2009).

The veterinary business landscape has, traditionally, been characterized by small, independent private practices, which have been mainly owner-run. However, more recently, there has been significant growth in the corporate sector, with small, independent practices being replaced by large branded chains, groups or partnerships in some areas (Henry, Baillie & Rushton, 2011). There has been a marked increase in small or companion animal work, with farm animal work now considered to be in decline. Business challenges currently facing the veterinary sector include increased competition, reduced margins on dispensed items, a lack of marketing expertise, difficulties recruiting and retaining suitably qualified staff, and the potential loss of lucrative government contracts as a result of new legislation (Lowe, 2009; Henry et al., 2011).

While veterinary educational curricula vary from provider to provider, veterinary programmes in the UK are normally intensive courses of study, incorporating pre-clinical, para-clinical and clinical components over a five-year period of study. In addition to an in depth knowledge and understanding of the scientific and clinical aspects, veterinary students also need to have a grasp of the legal, ethical and social elements of veterinary practice. Thus, communication and interpersonal skills, responsible and professional behavior, and an understanding of the business context of veterinary practice are now being recognized as important areas for veterinary educators. Accordingly, with specific regard to the latter, the majority of veterinary schools have begun to incorporate some type of business and entrepreneurship module into their curriculum.

Method

Following a review of relevant literatures, the empirical framework adopted a predominately qualitative approach. In-depth interviews with veterinary business educators, focus groups with students and e-mail surveys with employers were used to collect the data. The study covered all seven of the UK's veterinary schools.

Results and Implications

Overall, the study highlights widespread recognition across all of the veterinary schools that entrepreneurship education is important, despite not all students possibly perceiving it as such during their undergraduate years. Employers are looking for graduates who understand that veterinary practices are small businesses; graduates who have an appreciation of the financial aspects of veterinary practice and who can make a meaningful and creative contribution to the practice's future. There is a general sense amongst the veterinary entrepreneurship educators that collaboration between veterinary schools and a sharing of knowledge and experiences, and possibly resources, would greatly benefit the academic veterinary community, allowing educators to gain insights into what is happening "out there" (Curran and Storey, 2002).

It is particularly interesting to note that entrepreneurship within the veterinary business curriculum is gaining momentum; given the current economic climate and the continuous pressure from government to enhance graduate employability, this could be a timely development.

1 Employable skills are those that prepare students specifically for the world of work; they include modern workplace skills such as team working, business awareness and communication skills (BIS, 2009).

CONVERTING SPORTING CAPACITY TO ENTREPRENEURIAL CAPACITY: A PROCESS PERSPECTIVE

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Principal Topic

There is a strong and growing interest in the possible nexus between many aspects of sport and entrepreneurship. The growth in the sports entertainment market and the observed success of many sports celebrities in the areas of product endorsement and initiation through ventures started on their own, attests to the potential for several areas of crossover among the capacities and skills of entrepreneurs and athletes. Moreover, the sportsperson knows that his or her career, will of necessity (or more significant to younger athletes, beyond the control of the individual) be relatively short. Choosing a post-sport career is a vital issue for all but the supremely wealthy. The phenomenon of ex-sports stars starting new ventures in the attempt to leverage their sporting prowess into business success is well established. While an increasing number of studies deal with the sportsperson moving into another career, in particular from the psychological point of view (Lavallée, Wylleman and Sinclair, 2000, Murphy, 1995), structured research concerning the transition from a sporting to an entrepreneurial career is scarce. This paper is an early attempt to conduct the exploratory efforts necessary as a first step to filling these gaps.

At its broadest level this paper examines the capacities and processes involved in achieving sporting success to determine whether there may exist commonalities with the capacities and processes required to achieve entrepreneurial success. Going beyond *who* is doing the sport and the entrepreneurship (the personality trait comparison approach) Viala and Goxe (2010) have focused on what is employed to do it. Researching the sport-entrepreneurship nexus, they have examined the possibility of systematically 'reconverting' so-called 'sport capital' into 'entrepreneurial capital'. To extend this research, the sports management literature is reviewed and found to be highly inadequate with respect to establishing a pre-eminent model of process that builds in capacity for 'becoming' a professional athlete. Meanwhile, at a highly generic level of theoretical abstraction, Hindle and colleagues (Hindle, 2010a; Moroz and Hindle 2012, forthcoming) have critiqued and developed

a theory of entrepreneurial process. This paper provides a synthesis of these studies to develop beginning insight to the overlap of these two phenomena.

Method

At a high level of abstraction, this study compared and contrasted the processual nature of sporting capacity and entrepreneurial capacity, highlighting expected similarities and differences in each of the processes. Whereas Viala and Goxe focused on sporting versus entrepreneurial capital, this study employs recent work in the theory of *entrepreneurial process*, using as its theoretical framework Hindle's 'harmonized' model (Hindle 2010) which resulted from the critique of 32 extant models of entrepreneurial process examined by Moroz and Hindle (2012 forthcoming). To do so, this inquiry revisited and extended the data examined by Viala and Goxe (2010), who studied four high-achieving sports people who later became entrepreneurs: David Douillet, Olympic Judo Champion; Luciano Benetton, international rugby player and founding chairman of the Benetton group; Michèle Alliot-Marie, international rugby player, businessman and former French Minister of Home Affairs and Mahyar Monshipour, World Boxing Champion. Further literature review of the subject was conducted to add to the robustness of the arguments made by Viala and Goxe and to develop a foundational base for the sports career management literature. A systematic comparison and contrast of the two literatures (sporting and entrepreneurial) is conducted with the objective of determining whether or not there are existing constructs, concepts and/or models that may be convergent. The yield of this exercise provides a general theoretical treatment of any multi-component models of process identified pertaining to those used by athletes and entrepreneurs.

Results and Implications

There are several key findings of this study. Most important, the sports career management literature is currently underserved with respect to models of process for starting and maintaining a professional sports career. A review of the literature identified two streams of research that indirectly informed the areas of practice pertaining to athletic career management: (1) psychological development and (2) physical development. The former dominated with an extensive focus on individual traits, personality and behaviour patterns on one hand and the social context of sport performance on the other. These findings stand as evidence to a current lack of focus or concentration on the nexus of the capacities and processes required to develop a strategy for building a professional sports career. It also points to a current epistemological-ontological mismatch among the two literatures: the field of entrepreneurship is well developed in the area of process centric studies of capacity, while the sports career management literature is in a 'parlour state', typified by an outdated reliance on traits based perspectives of performance.

The implications for this research are both significant and foundational. There exists no current means for comparing and contrasting the two literatures with respect to distilling out the general and specific of the process-capacity relationship so that the phenomena of transition out of sports into a second (entrepreneurial) career may be enhanced. General suggestions for tackling the problem are provided by lending theory developed in the area of entrepreneurial process to that of sports career management. While the yield of this paper presents more challenges and issues than it solves, it does plot out a well framed pathway forward in linking the two literatures together in positive ways. As theory in the area of sports career transition is poorly formed, the need for further research is of vital necessity and boundless in its potential.

LOCAL DRIVERS OF NEW VENTURE STARTUPS: AN EMPIRICAL INVESTIGATION

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Principal Topic

In the United States there are approximately 22.9 million small businesses in existence. Seventy five percent of all net new jobs are created by small business. Small businesses represent 99.7% of all employers in the United States and employ 50.1% of the private workforce. They account for 52% of the private sector output and their impact on GDP is significant (Hatten, 2006). Extant literature offers us an excellent understanding on the opportunities offered by the United States to entrepreneurs and why the United States is a hotbed of entrepreneurial activity. However, when one reviews the extent of new business creation across states of the United States the picture is quite different. There is significant variation in the creation of new business across states.

At a state level one can identify three sets of the local drivers of new venture startups. They are economic drivers (variables which influence production of goods and services), demographic drivers (variables related to personal characteristics of the population), and political drivers (variables related to the government and politics). These drivers are multidimensional and therefore we utilized three variables within each driver. In our discussion below we identify each of the variables within the drivers and explain why they may influence new venture creation.

Key Propositions

Economic Drivers: 1. *Industrial Diversity*: Industrial diversity refers to the variation in the industrial base of a state. Higher industrial diversity facilitates startups as it offers greater diversity in skills and resources and this variation offers greater opportunity for new ventures to thrive and grow. 2. *Unemployment Rate*: It is generally accepted in the literature that unemployment rates have varying and contradictory effects on entrepreneurial activity. On the one hand unemployment tends to lower opportunity costs thereby increasing an individual's propensity to act entrepreneurially (Fritsch & Mueller, 2007; Fritsch & Falck, 2007). On the other hand a high unemployment rate may signal a poor economic environment in which to start up a new venture (Fritsch & Mueller, 2007). 3. *GDP Growth Rate*: The growth of an economy offers the ability for newcomers to enter an industry and thrive because of the resource munificence associated with higher GDP growth rates.

Demographic Drivers: 1. *Foreign Population*: The presence of foreign population has been linked with the creation of the new ventures. Reasons attributed to this include the higher prevalence of technical skills and willingness to invest greater time in new ventures due to their lower marginal utility of labor. According to Saxenian (1999), during the time period between 1980 and 1998, Chinese and Indian immigrants were responsible for 24% of the business started in the state of California. 2. *Education*: Individuals with excellent knowledge and skill are likely to have high incentives to become entrepreneurs in order to achieve the full value of their skillset (Fritsch & Falck, 2007). Prior studies report such human capital which grows with education is positively associated with new firm formation (Bates, 1990; Ritsila & Tervo, 2002). 3. *Median Age*: We anticipate that there will be an ideal age where individuals will react positively to an opportunity to be self-employed. A priori one can argue that those who are very young will not have the necessary human, financial, or physical resources to act on self-employment. Conversely those who are too old will have lost the will to act on self-employment, possibly because it is simply too risky later in life. Decker, Kuhlman, & Wohar (2008) report in prior research that age has a significant impact on self employment rates.

Political Drivers: 1. *State Political Climate*: The degree of a state's friendliness towards entrepreneurship/small business signals to entrepreneurs that they are encouraged and therefore has an impact on new venture startups. 2. *Party in Power*: Political conditions have a significant effect on the entrepreneurial environment of an area (van Stel, Storey, & Thurik, 2007). While it is not clear of the directionality of the effect we seek to capture this influence by utilizing a dummy variable to capture the influence of the party in power. 3. *Government Role*: This extent of government role in a local region may serve as a stimulant to encourage new venture creation. This can happen in several ways, which include provision of ancillary/support services to the state offices as well as providing other services to employees.

Method

This research uses data from Governmental and Quasi-Governmental sources, such data from the U.S. Census Bureau, Bureau of Labor Statistics, and Bureau of Economic Analysis. The sources of data have been used in extant research and are deemed to be very reliable. The primary dependent variable will be the number of new enterprise created in the particular state in a year. Given that the data is both temporal and cross sectional this research employs panel data models were used to test the relationship between state characteristics and new business startups.

Results

We found statistical support for five of the nine variables tested across each of the drivers. While foreign population, small business climate, and party in power was positively related to new venture creation, unemployment rate and governmental expenditure was negatively related to new venture creation. We found mixed support for industrial diversity and median age. While both of these variables were positively related to new venture creation when the drivers were tested separately, they become insignificant in the combined model.

FAMILY CAPITAL AND FAMILY BUSINESS SUCCESS; AN EMPIRICAL INVESTIGATION

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Principal Topic

This study defines the concept of family capital and proposes that family capital has potential impact on business performance. It hypothesizes that this potential is unleashed when a family business collaborates or encounters moderate levels of task conflict and is inhibited when a family business engages in relational conflict. Thus, this study investigates whether the use of collaboration as a problem solving technique within family business has a moderating effect on the relationship between family capital and family business performance. Additionally, this study investigates whether the existence of conflict (i.e. both task and relational) within family business has a moderating effect on the relationship between family capital and family business performance. Specifically, it is theorized that (1) family capital will positively affect family business performance, and (2) conflict and collaboration will moderate this relationship. The hypotheses are tested using data from the Survey of Family Business collected by the Center for Entrepreneurship and Family Business at Texas Tech University.

Introduction: For the purposes of this research, family capital is considered a special case of social capital. At its core, social capital creates value by fostering connections between individuals. It is a resource that exists because of social relationships (Lesser, 2000). According to Coleman (1988), social capital comes in three basic forms: first are obligations and expectations, second are information channels, and third are social norms. The family, with close familial ties, strong identity, and bonds, may be the ideal location for social capital to develop. Family capital is not so much a subset of social capital but, rather, an immediately intense version of it. If ever we are to see enhanced performance due to the effect of social capital, it should occur with family businesses where social ties are typically stronger than in non-family businesses. Consistent with literature about social capital, family capital provides a primary source of information, influence and control, and social solidarity (Portes, 1998).

Consistent with Coleman's (1988) definition of social capital, family capital consists of obligations and expectations, information channels, social norms, identity, and the moral infrastructure that emerges within family relationships. As mentioned earlier, family capital is an immediate, more intense version of social capital. Whereas non-family businesses have to expend large amounts of effort and resources to build high levels of social capital, family businesses come already equipped. There is an existing family structure complete with norms, information channels, and a whole pre-existing set of obligations and expectations. The core contributions made by families to family businesses are these pre-existing enduring relationships.

Key Propositions

Five Dimensions of Family Capital

Information Channels: Information channels are social networks within the organization and also are the mechanisms that connect them to the outside world. Information channels are the most obvious examples of Family Capital. They are the directly observable inventory of Family Capital.

Social Norms: Social norms provide for social control in an organization. They are general, internalized sets of accepted behavior for members of the social network (Adler & Kwon, 1999).

Obligations and Expectations: These can be viewed as positive interactions that occur between individuals in a network. These interactions have been viewed as positive largely because of the levels of trust and reciprocity that they engendered (Putnam, 1993; Lesser, 2000)

Identity: Identity occurs when individuals see themselves as one with another person or group of people (Nahapiet & Ghoshal, 1998). Identity with a group or collective enhances concern for collective processes and outcomes.

Moral Infrastructure: A moral infrastructure is identified as the structure or network, which allows an organization to encourage norms of conduct within the organization's scope of influence. Putnam, (1993) referred to this dimension at the community level as networks of civic engagement.

Five Dimensions Together: Without strong information channels which create strong ties between individuals within the organizational network, there is no opportunity for organization to experience closure (Coleman, 1988). Without closure, there is no opportunity for the organization to develop strong social norms and for identity to begin to take hold. And, finally without strong social norms, there is no opportunity to develop a system of obligations and expectations and to provide for the adherence to a set of ethics, both formal and informal (the moral infrastructure).

Method

In this study, hierarchical and multiple regression procedures were used to test the relationship between the construct family capital and family business performance.

Sample and Unit of Analysis: For this study, secondary data from the Survey of Family business, collected by the center for Entrepreneurship and Family Business at Texas Tech University was used. The Survey of Family Business is a 199-item questionnaire, which incorporates a wide variety of behavioral activities in family businesses.

Variables: One independent variable, three moderating variables, and one dependent variable were used in this study.

Independent Variable: Family Capital

Moderating Variables: Collaboration, Relational Conflict, and Task Conflict

Results

Statistical results in this study support the existence of a relationship between family capital and family business performance. The relationship was found to be positive and significant. The presence of task conflict does, however, appear to moderate the relationship between family capital and family business performance. The family capital*task conflict interaction term was slightly negative and significant. Results also show that neither collaboration nor relational conflict appear to moderate the relationship between family capital and family business performance.

HOW IS PREVIOUS ENTREPRENEURIAL EXPERIENCE VALUED WHEN SEEKING INTO WAGED-WORK? AN ANALYSIS OF RECRUITMENT AND RESUMÉ EVALUATION PROCESS

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Principal Topic

Entrepreneurship research is focused strongly on the start-up phase with relatively few studies aiming to understand the exit as part of the entrepreneurship process. Within the exit studies, there seems to be a limited focus on the consequences of the exit on the individual (Aaltonen, Blackburn & Heinonen, 2010; DeTienne, 2010) with the exception of some studies investigating how entrepreneurship experience is leveraged in new ventures, ie. in serial or portfolio entrepreneurship activity (Wiklund & Shepherd, 2008; Westhead, Ucbasaran & Wright, 2005a; 2005b) or for assisting nascent entrepreneurs when operating as business angels or venture capitalists (Aernoudt, 1999; Politis & Landström, 2002; Politis, 2008). However, knowledge on leveraging entrepreneurship experience into waged employment is limited, for example, if compared to research on international assignments and their influence on the future career of managers and other professionals (e.g. Kreng & Huang, 2009; Cerdin & Pargneux, 2009).

On one hand, we may assume that the former entrepreneurs may be positively evaluated through their 'entrepreneurship skills', capability of taking initiative and high levels of responsibility and other skills that are currently also widely promoted in the educational system through enterprise education (Rae, 2007). On the other hand, previous research in labour economics suggests that returning to wage-employment after entrepreneurship is associated with a lower wage or even difficulties in finding waged-work (Hyytinen & Rouvinen, 2008; Preto, Baptista & Lima, 2009; Kaiser & Malchow-Møller, in press, Bruce & Schuetze, 2004). This is consistent with some laymen beliefs of the difficulties of entrepreneurs in tolerating authority or organisational routines, and needing their freedom.

However, there is an important research gap in understanding how entrepreneurship experience is valued in the recruitment process. The research question this study addresses is how candidates that have previous entrepreneurship experience are evaluated in the resumé evaluation process? In addition, how this experience compares with other forms of work or non-work?

Method

This qualitative study was conducted by organizing four focus groups: two with HR professionals and recruiters and two with 'individuals in transition' (unemployed professional participating a further education training programme). The focus groups were assigned one job advertisement (for a CEO in a local affiliate of a multinational company in two groups and for a marketing manager in a similar company in two groups) and job applications and resumés of six applicants. The materials were developed by the researcher based on real materials. However, the details of the advertisements and applications were changed to create match cases of different kinds of career portfolios including different forms of paid, unpaid and voluntary work, and non-work (Clinton et al., 2006). The previous entrepreneurship experience was only one of the elements in some of the applications. Hence, the aim was not centralise "entrepreneurship" but to invite the focus groups to discuss openly and generally "how different careers are evaluated in recruitment decision-making". Methodologically, this is an important consideration to be elaborated further in the paper.

Results and Implications

The preliminary results confirm that entrepreneurs may find it difficult to seek into a waged work position at least if it entails stepping down from a CEO position (as an entrepreneur) into a manager position (with an operational focus). Their 'hunger, humility and adaptability' into the waged work position is questioned. In addition, their role in 'general management' undermines their capability in operating in one functional area. In particular entrepreneurs who close down their businesses and then try to seek a job face the similar scepticism than the unemployed job seekers. Essentially, the question asked is "what is wrong with them"? Interestingly, these findings seem to be culturally shared and continuously reconstructed in everyday talk. Despite their unequal and different positions in the recruitment process, the two types of focus groups; that of recruiters and of unemployed professionals seeking a new job, contributed to constructing very similar ideas and talk in the focus group discussions. In further analysis for finalizing the paper, closer attention will be placed on this by examining the research materials through Garfinkel's (1989) ethnomethodological perspective on how the ordinary activities are produced. Following this perspective, there is an expectation of a proper way of behaving – social order – governing the social encounters, such as here the evaluation of the resumés. Equally, Llewellyn and Spence (2009) argue that during recruitment interviews candidates act and are treated in ways that would not be considered normal or acceptable in other settings.

These preliminary findings of the study imply that there may indeed be important social risks associated with entrepreneurship that may outweigh the financial risks. Entering into entrepreneurship at one point of time may make it impossible or at least difficult to consider alternative career choices in waged-work at a later time. To corroborate these qualitative findings, there is a need for more quantitatively-oriented research on how (different types of) former entrepreneurs are treated in the recruitment processes (for different types of jobs).

From a practical point of view, entrepreneurship policies should not be directed solely at encouraging individuals and facilitating the process into new venture creation but also making sure that skills and abilities of former entrepreneurs will be considered valuable resources by the employers in order to ensure the flexible functioning of the labour markets from waged work into entrepreneurship, and back.

IT'S NOT WHAT IS FELT BUT HOW IT IS MANAGED: THE IMPLICATIONS OF COPING FOR GRIEF AND RE-ENTRY AFTER FIRM FAILURE

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Principle Topic

The implications of entrepreneurial failure have been gaining recent attention in the literature. Entrepreneurial failure can have devastating effects on an entrepreneur's well-being (Singh et al., 2007) resulting in reduced self-efficacy, feelings of grief and financial loss (Cope in Press; Shepherd, 2003; Shepherd et al., 2010). Further, these negative effects of entrepreneurial failure can continue to impact the entrepreneur many years after the failure event (Cope, in press). On the other hand, entrepreneurial failure can also act as an important stepping stone to future entrepreneurial success. Many successful entrepreneurs attribute their current success to learning gained from past failures. Thus understanding the mechanisms which influence how entrepreneurs respond and recover from failure can provide a better understanding of how entrepreneurs cope with the implications of failure and gain the confidence to re-enter self-employment and try again (c.f. Shepherd, 2003; Singh et al., 2007). In this paper I focus on coping strategies as one mechanism which can influence an entrepreneur's decision to re-enter self-employment after experiencing firm failure.

To examine how entrepreneurs cope with failure I draw on transactional model of stress and coping developed by Lazarus and colleagues (e.g. Lazarus and Folkman, 1984). The starting point for this theory is that how an individual interprets a stressful experience influences how they respond and cope with the experience. This approach also builds on prior research on entrepreneurial failure that has suggested how entrepreneurs cope with failure influences learning from failure (Shepherd, 2003) and recovery from failure (Singh et al., 2007). Hypotheses are developed that relate grief and financial loss to the use of different coping strategies and, in turn, how the use of these different coping strategies influence re-entry.

Method

To test the hypotheses I developed a unique database of entrepreneurs who had recently filed for firm bankruptcy. 284 telephone interviews were conducted (response rate 31%) and after a three wave mailing 126 mail questionnaires were returned. Where possible, established measures were used or adapted to the empirical context. Hierarchical linear regression modeling was used to test the hypotheses.

Results and Implications

The results from this study show that how feelings of grief are managed is more important for re-entry into self-employment, than feelings of grief alone. Grief can result in adaptive coping strategies which have a positive influence on re-entry and grief can result in maladaptive coping strategies which have a negative influence on re-entry. Grief, however, has no influence on re-entry; it is fully mediated by coping. Whether an entrepreneur re-enters entrepreneurship depends on which type of coping strategy dominates.

This study takes an important first step in formally investigating the impact that grief has on re-entry after firm failure. In addition to contributing to the recent literature on how entrepreneurs respond and cope with firm failure the findings also contribute to the habitual entrepreneurship literature. The results suggest that actively coping with the negative impact of failure is one way in which entrepreneurs can regain their entrepreneurial confidence.

CONCEPTUALIZING FRANCHISATION: UNDERSTANDING LOCAL PROCESSES

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Principal Topic

Franchising is increasingly a method used to facilitate market entry and/or geographical expansion. It is claimed to be “the world’s fastest growing form of retailing” (Dant, 2008, p. 91). Whilst it is common within the literature to assume negative impacts upon local independent firms with the advent of franchising (see Stone, 1997), It will be argued within this paper that this assumption may fail to appreciate 1) outcomes at localized levels, 2) differences across industry types, and 3) different forms of firm/environment interaction occurring across the life course of an industry. To address these issues, the concept of franchisation will be introduced and then defined using Gerring’s (2001) critical framework for concept development.

Stated briefly, franchisation is the process through which an industry is transformed in both positive and negative ways by the introduction of one or more franchised operators. The transformation is due to the emergence of new ecological processes that alter the evolutionary outcomes (or trajectory) of pre-existing and new industry participants. While it is common to consider the presence of franchised firms as a distinct class of firm (see Shane and Foo, 1999), this paper steps back to consider the nature of interaction between franchised firms, independent firms and environs they share. This paper embraces the call by Dant (2008) to incorporate all three franchising domain actors (i.e. franchisors, franchisees, and customers), thereby adding new insights into how customers view the value-adding activities of franchising. However, the addition of an explicit focus on independent firms, their shared environs and the nature of interactions occurring within provides the means to greatly advance our appreciation of the role franchising plays in society.

A range of ecological concepts will be used to build a strong foundation for the arguments presented. Guided by the challenge of Sears (1980, p. 223), that when the ecologist enters the study area, he or she “sees not merely what is there, but what is happening there”, the aim of this research is to highlight ecological interaction at the local level. When the challenge of Sears is combined with Geoff Hodgson’s (2001) Principle of Consistency, it is important to be armed with 1), an appreciation of the foundations of ecological thought and 2), an ability to apply such thought in a consistent manner. Thus, this paper seeks to contribute to the field of entrepreneurship by offering an alternative explanation of how firm survival might be conceived, researched and ultimately, explained. With reference to past work (Jones, 2009), several key propositions will be presented for discussion vis-à-vis their appropriateness in assisting a more fine-grained appreciation of a range of ecological coactions (see Haskell, 1949).

Key Propositions

Proposition 1: In the absence of legitimacy for a particular good/service, the arrival of a franchise operation offering that particular good/service may increase the overall survival of independent firms offering that particular good/service.

Proposition 2: When local independent firms have developed legitimacy for a particular good/service, the arrival of a franchise operation may decrease the overall survival of local independent firms offering that particular good/service.

Proposition 3: The causal influence of franchised operations on independent firm survival within a specific industry can be directly explained with reference to geographic and resource partitioning factors.

Results and Implications

Perhaps the most significant contribution made by this paper to entrepreneurship research is to highlight the complex nature of the environments experienced by firms. Once we move to conceptions of the external, ecological and selective environments (see Brandon, 1990) scattered across a mosaic like landscape, we provide researchers with access to a richer view of the relationship between firms and their environments. Discussion related to each proposition highlights the complex nature of such environs that are shaped and shared by independent and franchised firms. Clearly, there would rarely (if ever) be one singular ‘environment’. Thus, this paper contributes new insights as to how we view the nature of relationships between firms and their environments.

Within the current organizational studies literature explanations of firm survival are commonly shaped around assumed notions of ever-present competition. Often it is claimed that firms can out compete other firms by better adjusting their interacting elements to achieve better fit with their environment (e.g. Tushman and Romanelli, 1985; Levitt and March, 1988). Such claims are refuted (see Hannan and Freeman, 1989) by those who see the firms’ essential (core) interacting elements as relatively inert, and therefore difficult to change during times of environmental change. However, increasingly such extreme opinions are less about a dichotomy of opinion, and more about questions of how the processes of selection and adaptation interrelate (see Levinthal, 1991). It is argued here, that regardless of which view is more dominant within the literature, any attempt to further develop our understanding of why firms survive will be restricted by an inability to correctly (and consistently) use appropriate ecological/evolutionary concepts and therefore ecological approaches. Through considering the nature of interaction between independent and franchised firms, this paper argues that such understanding has been advanced.

THE ROLE OF FEMALE PSYCHOLOGICAL CAPITAL ON THE ENTREPRENEURIAL OPPORTUNITY RECOGNITION PROCESS (CASE STUDY: MS FEMALE STUDENTS OF ENGINEERING IN TEHRAN UNIVERSITIES)

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The current study investigated the relationship between the psychological capital of the female entrepreneurs and entrepreneurial opportunity recognition process.

Psychological capital has been defined as an individual's positive psychological state of development that is characterized by: (1) having confidence (self efficacy); (2) making a positive expectation (optimism); (3) persevering toward goals and, when necessary, redirecting paths to goals (hope); and (4) when beset by problems and adversity, sustaining and bouncing back and even beyond (resilience) (Avey et al., 2011; Luthans, Youssef, & Avolio, 2007, p. 3). "Psychological capital," has been shown to affect individual performance and satisfaction (Avey et al. 2011; Avey et al., 2010; Luthans, Avolio, et al., 2007) and individuals who are high in psychological capital tend to attract other likeminded persons to them, which in turn, increases the likelihood of creating long lasting friendships and coalitions.

Opportunity recognition defined as the active cognitive processes which individuals conclude that they have identified the potential to create something new, which has the potential to generate economic value, and that is viewed as desirable in the society in which it occurs (Baron, 2004, Sundararajan).

There has been a growing trend in the researches focusing on women entrepreneurship (Boyd 2005; Bruni et al. 2004; Brush et al. 2006; Lerner and Pines 2010; Pines 2002; Pines and Schwartz 2008). As women are starting businesses at a rate twice that of men today (Allen, 1999; Marlino & Wilson, 2003) with these demographic trends, interest continues to grow in the characteristics of female entrepreneurs, especially those factors that might explain their success (Enwick and Langford 2003).

Although there has been considerable research based on most factors to entrepreneurship, the influence of female and male on psychological capital remains under studied. Far fewer studies have addressed another important question of entrepreneurship research, the question is: can we categorically say that an individual with high psychological capital will be better at recognizing business opportunities and will decide to develop these business opportunities into new ventures?

Method

This study aims to test the relationship between female psychological capital and the entrepreneurial opportunity recognition process.

Main Hypothesis of research is: A female with high psychological capital will be better at recognizing business opportunities and will decide to develop these business opportunities into new ventures.

This research used questionnaire, expert interview and scenario as qualitative methods for finding valid information (Flick 2006). Fifty MS female students of engineering in Tehran universities formed the research participants.

Expert interview used primarily for identifying variables and designing questionnaire. The questionnaire was piloted with a small group of female entrepreneurs (i.e. five). The final revision of the questionnaire was made according to an interview with Professor M. Jamali A (strategist and management consultant).

Psychological capital was measured with the 24-item Psychological Capital Questionnaire (PCQ) developed by Luthans and colleagues (Luthans, Avey, Avolio, Norman, & Combs, 2006; Luthans et al., 2007). This instrument includes 6 items for each of the components of efficacy, hope, resilience, and Optimism for a total of 24 items.

Previous research has found the confirmatory factor analytic structure of the PCQ to fit well across several samples (Avey et al., 2010; Luthans et al., 2006; Luthans et al., 2007). The PCQ-24 is available at www.mindgarden.com and free for research use.

Scenario analysis is another tool that used for extracting qualitative data.

Descriptive statistics analysis is used to describe the basic features of the data in our study.

Regression analysis was utilized as the main statistical procedure for examining the hypothesized relationships.

Results and Implications

Our initial analysis of the data indicates:

There is a positive relationship between female psychological capital and recognizing business opportunities.

There is a positive relationship between female positive emotion and recognizing business opportunities.

There is a positive relationship between female psychological capital and positive emotion.

This research has implications for all entrepreneurship researches; it is particularly relevant for researches that intend to identify the prevalence of psychological capital and entrepreneurship activity.

A primary practical implication of this study is the concept of psychological capital development to increase positive emotions, self efficacy, optimism, hope, and resilience. Theoretical assertions (Luthans et al., 2006) and empirical evidence (Luthans et al., 2008) demonstrate that psychological capital can be developed in working adults. Given the results from this study, it would be expected that an increase in psychological capital can improve the burden of self efficacy, optimism, hope, and resilience of a female.

THE ROLE OF MEDIA IN ENTREPRENEURS OPPORTUNITY RECOGNITION (CASE STUDY: IRAN)

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The current study investigated the relationship between the media and opportunity recognition.

As a scientific field of research, there is a strong mutual relationship between entrepreneurship and media (Hang & Weezel, 2007).

Mass media is a major influential factor in a wide range of attitudes and behaviors of people and media communications may be expected to exercise some degree of influence upon national levels of entrepreneurship participation (Hindle & Klyve 2007). Media transmits beliefs, values and images by providing a carrier promoting entrepreneurial practices, encouraging an entrepreneurial spirit in the society and recognizing opportunities (Hang & Weezel, 2007).

The entrepreneurship phenomenon heavily impact media industries as long as they relate to culture and creativity-related businesses (Hang & Weezel, 2007). The essential characteristics of the entrepreneurial activities such as creation, innovation and novel ways of thinking are critical in building media business success (Hang & Weezel, 2007).

In view of significant mutual relationship between media and entrepreneurship, clarifying this relevance, appears necessary and meaningful (Hang & Weezel, 2007).

The word media has many definitions. Media is “a contraction of the term media of communication, referring to those organized means of dissemination of fact, opinion, and entertainment such as newspapers, magazines, cinema films, radio, television, and the World Wide Web” (Wikipedia). It is also defined as “a generic term for systems of production and dissemination of information and entertainment and of exertion of various kinds of social controls (Hang & Weezel, 2007). Media include the institutions which determine the nature, programming and form of distribution” (Krippendorff, 1986). Media actually refers to many forms of communication, including newspapers, magazines, and billboards, radio, television, videocassettes, video games, and computer games.

According to Krippendorff (1986) “mass media is the generic term for newspapers, book publishing, radio and television. Other media include the recording industry, movie industry and theatre. All media are associated with more or less elaborate forms of audience participation.

The nature of media is the format to store or the carrier to deliver information for the mass people so media products and services have strong impact in influencing entrepreneurship and entrepreneurial phenomenon. The image of what is entrepreneurship and entrepreneurial phenomenon that media present to the mass people may decide people's attitude and affects people's behavior (Hang & Weezel, 2007). The positive images of entrepreneurs delivered the media may promote the development of entrepreneurship and in contrast, the neglect of entrepreneurial phenomenon by mass media may hinder the proliferation of entrepreneurial activities.

The word entrepreneurship is widely used today. However, offering a specific and unambiguous definition of entrepreneurship is still challenging.

Opportunity recognition defined as the active cognitive processes which individuals conclude that they have identified the potential to create something new, which has the potential to generate economic value, and that is viewed as desirable in the society in which it occurs (Baron, 2004, Sundararajan).

Although there has considerable research based on most factors to entrepreneurship, the influence media on entrepreneurs' opportunity recognition remains under studied. Far fewer studies have addressed another important question of entrepreneurship research, the question is: can we categorically say that media programs will influence at recognizing business opportunities and will decide to develop these business opportunities into new ventures?

Method

This study aims to test the relationship between the media and opportunity recognition.

This research was designed to test the general proposition that media influence opportunity recognition.

This research used set of variables measured in the Global Entrepreneurship Monitor (GEM) study, questionnaire, and expert interview for finding valid information (Flick 2006).

The Global Entrepreneurship Monitor project (GEM) collects data of successful entrepreneurs in the media, on culture, and on the volume of a range of entrepreneurial participation activities in several countries (Reynolds et al. 1999, 2000, 2001, 2002, 2003).

GEM has completed 12 annual surveys of the entrepreneurial attitudes, activities and aspirations of individuals around the world. Starting with just 10 developed countries in 1999, GEM has grown to include over 80 economies during the course of these 12 years. In 2010, over 175,000 people were surveyed in 59 economies. These 59 economies represent not only the largest sample yet, but also the most geographically and economically diverse group surveyed. Together, this group covers over 52% of the World's population and 84% of the world's GDPi (Kelley, Bosma and Amorós, 2010)

Expert interview used primarily for identifying variables and designing questionnaire. The questionnaire was piloted with a small group of entrepreneurs (i.e. five).

Regression analysis was utilized as the main statistical procedure for examining the hypothesized relationships.

Results and Implications

Our initial analysis of the data indicates:

There is a positive relationship between media and recognizing business opportunities.

This research has implications for all entrepreneurship researches; it is particularly relevant for researches that intend to identify the role of media and entrepreneurship activity.

A primary practical implication of this study is for media and mass media.

It is hoped that the understanding on media and entrepreneurship can be enhanced, and gaps in knowledge can be identified in order to outline further research initiatives.

Key words

Media; entrepreneurship, opportunity recognition

SPECIALIZATION AND ORGANIZATIONAL FORM OF CORPORATE VENTURE CAPITAL FIRMS

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This paper examines how a corporation's R&D initiatives, both inside and outside the firm, are influenced by a turbulent external environment, one that not only encompasses high variation but also relevant uncertainty. It studies a specific empirical setting—corporate involvement in venture capital—and takes advantage of the differing organizational forms of corporate activities and the volatility of the capital markets to examine the change in specialization of their investments over a twenty-year period. The study draws three conclusions about corporate venture capital that, we believe, can be generalized to all corporate R&D alliances. First, corporate involvement means higher specialization for a joint venture. Second, corporate R&D alliances specialize in reaction to resource shortages, but diversify in reaction to resource volatility, due to strategic rather than financial reasons. Finally, corporations should take into account the degree of variation and uncertainty in their environment when selecting a structure for their alliances.

BEING ENTREPRENEURIAL: VALUES AS INTRINSIC MOTIVATORS OF ENTREPRENEURIAL BEHAVIOUR

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Principal Topic

A popular view in much of today's Entrepreneurship research suggests that anyone can act entrepreneurially. The process of initiating a new venture or introducing unique innovations into the market is no longer the exclusive preserve of individuals labelled 'Entrepreneurs'. The purpose of this study was to identify the key motivating factors that caused entrepreneurial behaviour to occur amongst New Zealand business people. A secondary objective was to clarify the distinction between labelling individuals as 'Entrepreneurs' and actual entrepreneurial behaviour. The study is predicated on the prior work of Norris Kreuger (2007) and specifically on the premise embedded in his argument that '*deep beliefs*' underpin sense-making, decision making and subsequent entrepreneurial behaviour.

Method

The study utilised an inductive and interpretive research design within a constructivist paradigm. A small quantitative values survey was conducted, the results of which were later used as an aide memoire during in-depth interviews with thirty New Zealand entrepreneurs. Interviews focused specifically on the meaning individuals attributed to those fundamental values associated with entrepreneurial behaviour. The resulting narrative was subjected to discourse analysis and categorised into relevant themes.

Results

Self-determined human action is based on individual beliefs and what the individual values. Engaging in entrepreneurship is one form of self-determined behaviour that enables the individual to express and satisfy a variety of different needs and aspirations. Four fundamental values are believed to be critical to the motivation of entrepreneurial behaviour, namely, the need for *independence*, the need to be *creative*, being *ambitious* and being *daring*. These values were expressed as psychological needs and act as intrinsic motivation for entrepreneurial behaviour. Only twenty three per cent of the sample (7 out of 30), however, could demonstrate sustained entrepreneurial behaviour consistent with continuous motivation through these four beliefs. The balance of the study's participants acknowledged their importance to entrepreneurial behaviour. This latter majority also acknowledged that there had been a shift in their own behaviour away from entrepreneurial action, toward a management orientation, which placed more emphasis on *independence* and being *ambitious* in the value-set. Being *creative* and *daring* was accorded lesser attention as the individual focused on growing their business.

Implications

The study confirms the presence of a specific value-set associated with entrepreneurial behaviour. It furthermore supports the premise that a distinction exists between labelling someone an 'entrepreneur' and the actual demonstration of entrepreneurial behaviour. The research makes a further contribution in two ways. First, given the stagnation of research into personality traits and characteristics associated with entrepreneurship, the study approached entrepreneurial behaviour as a singular construct and separated the behaviour from the individual engaged in it. This proved useful in examining the antecedent constructs and arguing the presence of an underlying value structure that motivates entrepreneurial behaviour. Second, changes occur in the value-set structure over time demonstrating that, while entrepreneurial values remain cognitively understood and stable, shifts in emphasis do occur dependent on where the individual is placed in the entrepreneurship process and the lifecycle stage of their business. The shift in emphasis to *independence* and being *ambitious*, at the expense of being *creative* and *daring*, represents one explanation for the episodic nature of entrepreneurial behaviour amongst business people. It also provides an explanation as to why it is so difficult to identify entrepreneurial talent.

WOMEN'S SELF-EMPLOYMENT: AN ACT OF INSTITUTIONAL (DIS)INTEGRATION? A MULTI, CROSS-COUNTRY STUDY

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Principal Topics

In this paper we investigate to what extent gender equality disintegrates women (as compared to men) differently into self-employment and whether this is contingent on countries' development stages and industries.

Intuitively, gender equality in a nation is expected to have a positive impact on women's self-employment. However, anecdotal evidence in women's entrepreneurship literature shows that in countries that consider themselves highly egalitarian at an institutional level, only women's employment is integrated, whereas women's self-employment seems to be disintegrated (Anderson-Skog 2007). The gender equality policies in these countries focus solely on women's employment rights at the labor market, resulting in a preferential situation in favor of women's employment options compared to their self-employment options. Thus, institutionally, these nations seem to be gender neutral, but they are not able to remove some of the subtle implications women relate to the choice of self-employment. However, as this evidence is primarily anecdotal, we set out to test this proposition, and further, to investigate whether this disparity is contingent on countries' development stages and industries.

We employ symbolic interactionism (Mead 1934) – an institutional theory - to argue that women's employment choices emerge from an interactive conversation between individual and social institutional processes and that these choices unfold within larger institutional processes.

The core of symbolic interactionism is a theory of the self, which is seen as constructed from constant and complex interrelated conversations between the "I" and the "Me." The "I" echoes the creative destructive part of the individual, which has the capacity to raise the woman in her self-employment choice "... above the *institutionalized individual*" (Mead 1934, 211), whereas the "Me" represents the external directed and social absorptive part of the individual, which takes the social institutional properties of reality into consideration. Women and men are born into institutional environments (nation, family, etc.) with unique norms, rules, culture, and so on (Mead 1934), which constrains them and legitimizes some behavior and employment choices over others.

We argue that self-employment is an act of disintegration where individuals do not integrate their conduct accordingly to the institutional order, but in fact break with that order. It is through the unique, asocial or even hostile response of the "I" that the individual can end up disintegrating from the institutional whole. Based on observations that women are exposed to a range of institutions that disintegrate women more than men and that anecdotal evidence suggests that gender equality enforces the disintegrative mechanisms, we further argue the women are more likely disintegrated away from self-employment compared to men. Finally, we argue that the association between gender equality and gender gap in self-employment is contingent on countries' development stage and industries.

Based on these ideas we develop several hypotheses grounded in three themes: We hypothesize that 1) the gender gap in choosing self-employment increases with gender equality, and 2) that the association between gender gap in choosing self-employment and gender equality depends on a country's development stage, and 3) finally that it depends on the male domination of the industry.

Methods

To predict gender gap in choosing self-employment as a function of gender equality we use three datasets (GEM Population Survey; GEM Key Expert Survey; World Economic Forum's Global Gender Gap index). Our pooled dataset (2001-2009) contains 946,920 useable respondents across 59 countries. Although wealthy and industrialized countries are overrepresented, the sample is gender equality heterogeneous and contains data from all continents.

Our analytical strategy is first to analyse the empirical data descriptively. This is followed by more sophisticated analytical nonparametric techniques used to test the hypotheses (Fox 2000). Specifically, we apply two nonparametric statistical techniques: logistic regression and multinomial logistic regression (Fox 2000). Both these techniques benefit from a relaxed assumption of the linearity between the dependent and independent variables and apply individual characteristics as the explanatory variables (Hoffman and Duncan 1988).

Results and Implications

We find that overall gender equality is associated with the gender gap in men's and women's self-employment choices and that this association depends on countries' development stages. In factor- and efficiency-driven economies, interestingly, we found that gender equality decreases the gender gap, meaning that women are less disintegrated into self-employment compared to men as gender equality increases, while in innovation driven economies we find consistently with the anecdotes that gender equality disintegrates women more than men away from self-employment.

The contribution to the literature is threefold. First, we expanded the research object from an individualistic focus, searching for individual and socio-demographic factors that might influence women's self-employment toward accounting for factors outside the individuals—specifically, we followed Ahl's (2006) advice to set-up comparative and contingent studies. Second, also following Ahl's (2006) advice we shifted the epistemological position from an objectivist epistemology to a constructionist epistemology allowing men and women to interpret and react individually to institutional processes, and thereby deconstructing or maintaining ongoing institutional processes. This leads to the third contribution. The conceptualization of self-employment as a disintegrative act introduces embedded agency (Friedland and Alford 1991). We advance previous discussions on embedded agency by introducing the interplay between the interplay between the "I" and "Me" as a way to explain how individuals interpret and react differently to similar institutional processes. The ongoing conversation between the "I" and the "Me" helps us understand institutional homogeneity and heterogeneity processes simultaneously.

PRIOR EXPERIENCE AND GROWTH ASPIRATION: THE MEDIATING EFFECTS OF GENERAL AND ENTREPRENEURIAL SELF-EFFICACY

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Principal Topic

Extant research provides wide evidence that entrepreneurs' growth aspirations contribute to actual new venture growth (Davidsson, 1989; Davidsson, Delmar, and Wiklund, 2006; Delmar, Davidsson, and Gartner, 2003; Delmar and Wiklund, 2008; Miner, Smith, and Bracker, 1994; Wiklund and Shepherd, 2003). This observation has triggered several studies aimed at understanding the antecedents of growth aspirations. These studies have found various antecedents, including the entrepreneur's opportunity costs (Cassar, 2006), passion, resource skills, and tenacity (Baum and Locke, 2004), expected outcomes and achievement motivation (Davidsson, 1989), and ability, need and opportunity (Davidsson, 1991). The present study focuses on two of these antecedents – prior experience and self-efficacy – and analyzes their combined effect in more detail than hitherto has been done.

Gilbert, McDougall, and Audretsch's (2006) review on new venture growth has shown that prior experience has a clear positive effect on actual venture growth. Yet, only few studies have researched the effect of prior experience on growth aspirations. And as far as this effect has been studied, the results are inconclusive: Gundry & Welsch (2001) found a negative effect of experience on growth aspiration and Kolvereid (1992) found no effect at all. Both findings are remarkable, since research shows that both prior experience and growth aspirations have a positive effect on new venture growth.

One possible explanation for these inconclusive findings is that the relationship between prior experience and growth aspirations is mediated by other factors. In this study we analyze the effect of one such factor: the entrepreneur's self-efficacy. Inspired by Ajzen's (1991) theory of planned behavior, self-efficacy has been widely considered as an antecedent for entrepreneurial intentions, including growth aspirations (Baum and Locke, 2004; Bird, 1988; Boyd and Vozikis, 1994; Krueger, Reilly, and Carsrud, 2000). Extant literature also proposes that entrepreneurial self-efficacy results from prior experience and may thereby act as a mediator between experience and growth aspirations (Baum and Locke, 2004; Boyd and Vozikis, 1994; Davidsson, 1989). Yet, no published research has tested whether this proposed effect also holds empirically. Closest to such test is Davidson (1991), which found a small mediating effect of 'perceived ability' (self-efficacy) between 'ability' (experience) and growth motivation. Yet, as Davidson admits (p418), it is precisely 'perceived ability' that has not been measured very accurately. It is the objective of this study to more elaborately test this mediation relationship and thereby clarify some of the inconclusive results so far.

Method

Our data came from 110 high-tech nascent entrepreneurs who enrolled in a pre-incubator in the Netherlands. Participation in the pre-incubator was based on self-selection and participants vary substantially in age, industry, and experience. As part of the enrollment process, participants had to fill out an extensive paper-and-pencil questionnaire, part of which was reserved for the present study.

Growth aspiration was measured by three different scales. The first was Hmieleski & Corbett's (2006) five-item scale for measuring the intention to grow a high-growth business ($\alpha=.77$). The second scale was designed for the present study and asked respondent to indicate their ideal business in terms of six indicators of size ($\alpha=.76$). The third scale was also developed specifically for this study and measured the strength of aspirations along 20 indicators of what respondents would be willing to do to achieve their ideal business ($\alpha=.81$).

Experience was measured using two scales, both taken from the PSED survey. The first was a tabular question in which respondents were asked to fill out their major activities in the past 10 years. The second asked for the gestation activities performed before entering the pre-incubator (Reynolds, 1997).

Self-efficacy was measured using three scales. The first scale measured general self-efficacy and was adopted from Sherer et al. (1982), containing 17 items ($\alpha=.83$). The second scale measured entrepreneurial self-efficacy and was adopted from Kolvereid & Isaksen (2006) (18 items, $\alpha=.86$). The third scale also measured entrepreneurial self-efficacy and was adopted from Souitaris, Zerbini & Al-Laham (2007) (6 items, $\alpha=.66$).

Results and Implications

Our analysis showed the following initial results:

- 1) No direct effect of experience on growth aspiration, for both measures of experience and all three measures of growth aspiration.
- 2) Strong positive effect of entrepreneurial self-efficacy on growth aspiration but no effect of general self-efficacy on growth aspiration. The strongest effect appeared when Kolvereid & Isaksen's scale of entrepreneurial self-efficacy was related to Hmieleski & Corbett's scale of growth aspiration (correlation of .391, $p=.000$, $R^2=.153$). Similar, albeit weaker results were found using the other scales.
- 3) Moderate positive effect of startup experience on entrepreneurial self-efficacy (correlation of .278, $p=.013$, $R^2=.08$). Also, a moderate positive effect of startup experience on general self-efficacy (correlation of .309, $p=.005$, $R^2=.10$).
- 4) Moderate negative effect of being fulltime employed on entrepreneurial self-efficacy (correlation of -.344, $p=.002$, $R^2=.12$). Also, a moderate negative effect of being fulltime employed on general self-efficacy (correlation of -.267, $p=.020$, $R^2=.07$).
- 5) Strong positive correlation between general self-efficacy and entrepreneurial self-efficacy (correlation of .571, $p=.000$).

Based on these results we conclude that both the positive effect of prior startup experience and the negative effect of prior fulltime employment on growth ambition are mediated by entrepreneurial self-efficacy. General self-efficacy, in turn, does not affect growth ambition directly, but is mediated through entrepreneurial self-efficacy. Despite the usual limitations associated with any study of this kind, these results help to explain some of the inconclusive findings in the extant literature.

EMBEDDEDNESS OF ENTREPRENEURSHIP IN THE GENDER REGIME OF THE POST-SOCIALIST CZECH SOCIETY

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Principal Topic

Countries in which the possibility of running a business has been suspended or restricted for long periods of time offer a fruitful avenue for research (Smallbone, Welter 2001). In the Czech Republic (CR) unlike other countries in the Central and Eastern European (CEE) region, entrepreneurship was fully suspended since the 1950s and the opportunity for running an independent business was re-introduced in 1990 in a situation of full employment and together with the newly rising phenomenon of unemployment. The “starting line” was legislatively drawn for men and women in 1990 but women had to deal with existing gender inequalities in the labour market (Buttner, Moore 1997; Hughes 2003; Krizkova, Penner, Petersen 2010) and in families (Krizkova 1999). Moreover the issues of gender equality and women's emancipation were discredited by the legacy of the state-socialist regime (Wagnerova 1996).

In the Czech Republic approximately 10% of all employed women and 21% of all employed men operate their own business (data for 2007). Women make up only 26% of all entrepreneurs.

According to the Global Entrepreneurship Monitor (GEM), the rate of entrepreneurial activity was 12.21% in the CR in 2006. This is better than the European average. But if we look only at established business then the share in the Czech population is only 5.41%. Jakl and Lukes (2006) suggest that the explanation may be either a variety of barriers for business activities or lack of competence to set up a business. It is worth noting the difference between men and women: less than one quarter of men who have taken some steps to set up a business, actually enter into the business, while for women it's every second. Does this mean that Czech women experience more barriers to entry into the business in comparison with men and have significantly lower self-confidence regarding the ability to establish and manage their own business and are therefore discouraged from business already in the bud of a business plan?

It seems that the institutional conditions, opportunities and barriers to entry into the business are gendered as well as an estimate of their own entrepreneurial skills and that these factors act simultaneously. Comparison of various populations - university students and established entrepreneurs - might bring new findings for detecting barriers, opportunities and possible directions of support for women's entry into the business in CEE.

What gender differences are there in the perception of their own capabilities and chances to create a business among university students who spent their whole (or almost) life in market based post-socialist society? What barriers they perceive and expect for entrepreneurship? What were the main motivations for entrepreneurship of women and men established entrepreneurs in the Czech Republic? And what barriers they experienced in their working careers given that they often spent part of their working lives under the state socialist regime?

Method

This paper is based on several data sources which partly allow for life course perspective in entrepreneurship research: GEM data from 2006 in the CR; a questionnaire based survey sample of 228 university students on sensitivity towards creation of a company conducted in 2008 at three universities in the Czech Republic, sample of 468 Czech entrepreneurs (309 men and 159 women) as a part of large representative life course questionnaire based research from 2010 (sample of 1979 women and 2030 men in the CR) and 31 in depth interviews with women and men entrepreneurs in the Czech Republic on their business and work/life balance strategies that I conducted between 2003 and 2006.

The study of student entrepreneurship intentions was undertaken in the context of a wider research program organized around an International Observatory of Student Entrepreneurial Intentions and the questionnaire was developed largely based on variables considered by the Theory of Planned Behavior adapted from Kolvereid (1996). The representative life course survey allows us to trace the history of working careers of men and women including their entrance to entrepreneurship and previous labour market participation as well as experience with discrimination and inequalities at work and in the household. The qualitative data place the quantitative results into a context of lived experience and situated knowledge.

Results and Implications

In the Czech Republic, there is generally rather low awareness of entrepreneurial abilities - in 2006 it was believed only by 38% of Czechs (50% men and 32% women) that they have skills and experience needed to start business (Lukes, Jakl 2006). Only 34% of male students and 16% of female students considered their skills for business in general sufficient. Most female students believe that business is risky and requires lot of responsibility. In the population of Czech established entrepreneurs push factors are more significant for women whereas men are pulled by money and new experience. For women, independent business itself represents a powerful strategy for achieving a work/life balance in the conditions of the Czech labour market, where maternity and private life are a handicap to the job success of women. It is one of the ways of getting away from discrimination. In Czech society this strategy is not yet explicitly articulated by women. Men entrepreneurs make a strict separation between their professional and family lives and for them independent business is almost exclusively a medium for their own professional development.

The combination of several data sources – quantitative and qualitative – has potential methodological implications for life course research perspective in entrepreneurship research.

AUTONOMY AND INNOVATIVENESS: UNDERSTANDING THEIR RELATIONSHIPS WITH PERFORMANCE OF INDONESIAN SMES

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Principal Topic

Entrepreneurial orientation (EO) is a key ingredient for organisational success (Covin & Slevin 1989; Merz & Sauber 1995; Wiklund & Shepherd 2005) and source of competitive advantage (Lumpkin & Dess 1996; Runyan, Droge et al. 2008). Due to the multidimensional nature of the concept, the effect of each EO dimension: autonomy, innovativeness, risk-taking, proactiveness and competitive aggressiveness on firm performance can be observed independently (Lumpkin & Dess 1996). Interestingly, previous studies (Coulthard 2007; Rauch, Wiklund et al. 2009) reported that the EO dimensions did not always demonstrate positive and significant relationship with firm performance. These studies imply that some dimensions of EO are responsible for improving firm performance, while other dimensions may have little or even no influence at all. This suggests that the effect of EO dimensions on firm performance varies, possibly depending on different industry contexts, business environment or stages in a firm's development.

This paper reports on two EO dimensions: autonomy and innovativeness. These dimensions were selected due to the facts as there has been no significant research in the field under investigation in Indonesia. Autonomy refers to the ability to make decisions and to proceed with actions independently, without any restrictions from the organisation (Lumpkin & Dess 1996). It also reflects the strong desire of a person to have freedom in the development of an idea and in its implementation (Li, Huang et al. 2009). Several scholars (Coulthard 2007; Prottas 2008; Lumpkin, Coglisier et al. 2009) suggested that giving autonomy to all players in the organisation may motivate them to act entrepreneurially, and in turn improve firm performance.

Innovativeness reflects a firm's ability to engage in new ideas and creative processes that may result in new products, markets, or technological process (Hult, Hurley et al. 2004; Rauch, Wiklund et al. 2009). Covin and Miles (1999) argued that innovation is a crucial part of a strategy and that entrepreneurship cannot exist without it. Hult, Hurley et al. (2004) suggested that innovativeness plays a significant role in solving business problems and challenges, which in turn provides firms with ability to succeed. Similarly, Otero-Neira, Lindman et al. (2009) and Ireland, Hitt et al. (2003) emphasised the importance of innovation in creating a firm's competitiveness that will lead to superior performance.

The purpose of this paper is to empirically investigate the role of autonomy and innovativeness in the firm performance of Indonesian SMEs. Specifically, this study addressed the research questions: (1) Have autonomy and innovativeness been adopted by Indonesian SMEs?; (2) Do autonomy and innovativeness influence the performance of Indonesian SMEs?; (3) How are autonomy and innovativeness implemented by Indonesian SMEs?

Method

A mixed methods (quantitative and qualitative) approach was conducted to analyse the sample of Indonesian SMEs. Data collection methods were selected in line with the Indonesian culture that emphasises social relationships (including face-to-face communication) to increase the likelihood that a respondent would be willing to participate in this study. In the first phase (quantitative methods), a face-to-face survey was conducted with 150 respondents, all of whom were SMEs managers and owners in the furniture industry. This resulted in a 100% response rate. Face-to-face interviews were performed in the second phase (qualitative methods) with thirteen SMEs managers and owners who had also participated in the first phase. These interviews allowed the researcher to acquire rich and detailed information from the respondents, who expressed their own experiences, feelings, and opinions, enabling the researcher to explore in depth the quantitative responses obtained in the first phase.

The first and second research questions were addressed by employing quantitative data analysis: exploratory factor analysis, confirmatory factor analysis and structural equation modelling. The third research question was addressed by utilising qualitative content analysis.

Results and Implications

Findings from the quantitative data analysis confirmed that autonomy and innovativeness were adopted by Indonesian SMEs. However, these EO dimensions were found to have no significant relationships with firm performance. The qualitative data analysis clarified these findings, indicating that autonomy and innovativeness have not been utilised fully in these companies due to cultural backgrounds and different perspective concerning innovation. As all respondents of this study are indigenous Indonesians (*pribumi*) from the Javanese ethnic group, the Javanese culture affects firm behaviours. This culture is characterised by its core value of maintaining social harmony and avoiding conflict. It is also a very hierarchical culture with a high Power Distance, where the leader is a father figure whom followers must obey. Employees are low down in the firm hierarchy and fear that proposing their own ideas could create conflict with their managers and damage the harmony in their relations. Instead, they expect their leaders to give them ideas to implement. In terms of innovation, Indonesian SMEs do not always relate it with newness or degree of novelty of their product, market or process as suggested by previous research. Instead, they associate innovation with any improvement in their product that can satisfy the market and generate a profit for them.

This study has important implications for research in entrepreneurship, particularly for SMEs in developing countries. Previous research was primarily conducted using quantitative methods. The different research design applied in this study has contributed to findings which differ from those reported by previous research. Furthermore, entrepreneurship theories, which mostly have been developed in western or developed countries, need to be adapted when applied in developing countries or in different cultures.

THE ENTREPRENEURIAL PROCESS OF WOMEN: PROPOSED MODELLING

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Principal Topic

The majority of research carried out on women and entrepreneurship is descriptive and focuses on the characteristic of the entrepreneurs and their businesses. As underlined by Borgues and al. (2005), these researches pay little attention to the creation process itself. A better understanding of the way women become entrepreneurs is now necessary as little research has been carried out on this direction (Buttner, 2001 ; Brush and al., 2009). Through this work, we try to understand the process women go through when creating their own businesses. In order to apprehend it better, we will look at the way they start the process and the criteria they use to evaluate their success. We will show the different dimensions of the process by highlighting the role played by the individual in the creation and its development.

Using business science, sociology and psychology theories, we have created an integrative conceptual framework which is based on the theories of the self, theories of career and theories of genders. These complementary frameworks will allow us to apprehend specific elements of the entrepreneurship process. We see the career theories as important in examining the success of the entrepreneur's career as it becomes a new approach to define the final stage of the entrepreneurship process. The theories of the self will allow us to identify more precisely what is happening during the process of business start-ups and how the representation of the self impacts on that process. The socio-cognitive approach studied in this research emphasizes the importance of understanding the social context in which the woman is embedded (Brush, 1992). This analytical framework also looks at the gender theory. The latter enables us to examine the influence of the social construction of gender on the women's entrepreneurship process (Ahl, 2006 ; Brush and al., 2009).

Method

In order to represent as accurately as possible the economic reality we have focused our research on the study of very small businesses without any employees. More than half of women entrepreneurs (55%) are running businesses represented solely by themselves (Fouquet, 2005). The longitudinal study is an interesting avenue to study entrepreneurs (Bowen and Hisrich, 1986 ; Bruyat, 1993 ; Dyer, 1994 ; Baucus and Human 1994 ; Davidsson and al., 2001), and more specifically in the case of women entrepreneurs (Stevenson, 1986 ; Patterson and Mavin, 2009). Consequently, we have decided to conduct a longitudinal study on 10 women entrepreneurs. This choice has been made on the knowledge that case comparisons allow the appearance of similarities. And it also enables us to apprehend dynamically the entrepreneurship process by studying the variations and changes taken place in the time. In order to choose our cases, we used the theoretical sampling method (Strauss and Corbin, 2004).

A longitudinal multiple case study enabled us to conduct 26 interviews with 10 women entrepreneurs between 7th June 2007 and 14th November 2009. Interviews also took place with support organisations and professionals working in the field of women entrepreneurship. The empiric material found has been thematically analysed following the recommendations of Strauss and Corbin (1990). The software NVivo8, adapted to a qualitative analysis of data has supported our research.

Results and implications

The analysis of the results has shown that the length of time between the first actions undertaken to start the business and the legal registration, could take up to one and a half to eleven years. This demonstrates the diversity of women's pathways in terms of duration and time, hence the difficulty to set up the beginning of the entrepreneurship process. The success of the entrepreneurial career has been defined according to the perceptions of the women interviewed. The success is measured according to the balance between the women's personal family life, the company's development and their contribution to society. From these results we are able to give the following definition of the success of the women entrepreneur's career. It is the result of the experience lived by the women entrepreneur on the personal, family, economic and social levels. The entrepreneurs may therefore define their own success criteria from which they may develop their own process and know where they are. Are they close to or far from achieving entrepreneurial success?

The data analysis helped us create a typology of 9 dimensions of the entrepreneurship process: the dimensions linked to the entrepreneur (the decisional freedom, the determination and entrepreneurial judgement), the dimensions linked to the business (the money, legitimacy and social network) and the dimensions linked to the environment (the protection, the scale of the strategic development and the commercial visibility). For each identified dimension we pinpointed some difficult elements. In addition, the way the woman entrepreneur perceives herself highly impacts on the construction of these dimensions. Some evolutions appeared which are indicative of changes in the way women are and define themselves. The woman's perception of herself is influenced by her family and particularly her partner.

The results of this work can therefore become a model. The characteristics of this model are the 9 dimensions associated with the representation of the self. At the centre of the model, is the success of the entrepreneur's career that the entrepreneur strives to reach by developing the 9 dimensions. The close environment, medium and macro environments also influence the model parameters. At this stage we need to point out that the elements linked to the gender are included in each (close environment and medium/macro environment).

Women entrepreneurs can benefit and apply the results of our research. With the knowledge of the 9 dimensions and their relations with the representation of the self, the entrepreneurs are able to identify more clearly the various steps to take. Knowledge of the difficult elements will allow them to apprehend the difficulties they might have to face. The influences impacting on the creation process will stand out and help the entrepreneurs to use them better. From a management point of view, this research will be useful for practitioners who work along side the entrepreneurs. There are few tools available to monitor the individuals after their legal registration. Our work can provide these tools which in return can help the set up of training programmes and broaden the reflection on how to support women entrepreneurs.

THE DYNAMIC MECHANISM OF INDUSTRIAL CLUSTERS FOR ENTREPRENEURIAL OPPORTUNITIES AND ENTREPRENEURIAL BEHAVIOUR: DERIVING A CONCEPTUAL MODEL

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Principal Topic

Regardless of the research perspective: pure agglomeration, industrial complex, social network or innovative system, the research on industrial clusters has made significant progress. So much so, that the transformation of clustering advantages to individual firm performance is now largely taken for granted. However, the decline over time of clusters suggests the story is not that simple. The research on industrial clusters is struggling to explain: why geographic proximity matters and why the industrial cluster cannot keep its competitive advantages as time goes on. This is an important issue not only for academic debate but also for the numerous under-built industrial clusters and government policies.

Scholars have begun to embed entrepreneurship into the research of the industrial clustering phenomenon. There are many articles appearing to relate entrepreneurs with the formation of industrial clusters and much attention is paid to the active role of entrepreneurs in the cluster network context. However, there are many questions still unanswered and relevant articles are rare. Questions such as, why do entrepreneurs choose to locate their firms in particular areas rather than others? What are the roles of entrepreneurs in the traditional explanation of industrial cluster advantages? What are the potential causes of the industrial cluster decline? Based on the progress in entrepreneurship research, this paper will develop a conceptual model to explore the dynamic interactions between the industrial cluster, entrepreneurial opportunities and entrepreneurial behaviours.

Entrepreneurial opportunities are defined as situations in which new goods, services, raw materials, markets and organizing methods can be introduced through the formation of new means, ends, or means-ends relationships (Casson 1982; Shane and Eckhardt 2005; Shane and Venkataraman 1997). In this definition, entrepreneurial opportunities take the form of Schumpeter's (1934) description of "creative destruction". Shane and Eckhardt (2005) further articulate that the price system creates certainty with respect to opportunities generally but fail to be a complete indicator of entrepreneurial opportunities. Thus, entrepreneurial opportunities are embedded within uncertainty. People that are

more risk bearing, tolerance of ambiguity and self-efficacy are more likely to look for and exploit entrepreneurial opportunities.

Researchers from different research domains have provided definitions of entrepreneurial behaviours from different perspectives. From the psychological standpoint, the entrepreneurial behaviour has been seen as a result of the interplay of environments and certain cognitive biases on entrepreneurs (De Carolis and Saporito 2006). From the institutional standpoint, the entrepreneurial behaviour is seen as a strategic response to institutional pressures (Welter 2005). By contrast, in entrepreneurship research domain, the entrepreneurial behaviour has been defined as a set of entrepreneurial actions by which individuals make judgments under uncertainty (McMullen and Shepherd 2006) or behaviours that exhibit entrepreneurial orientations (Pearce, Kramer et al. 1997). Although these conceptual definitions of entrepreneurial behaviours supply valuable references, they are hard to operationalise and thus contribute little to the empirical research. Drawing from the definition of entrepreneurship given by Shane and Venkataraman (2000), in this paper, entrepreneurial behaviours are defined as modes of actions that are used to identify, evaluate and exploit entrepreneurial opportunities. This definition focuses on behaviours themselves avoiding the risk of relying on the traits and characteristics of entrepreneurs (Garcia-Cabrera and Garcia-Soto 2008; Scheiner and Ebrary 2009).

Key Propositions

This article will outline a conceptual model of the interaction dynamics between the industrial cluster and entrepreneurial opportunities, entrepreneurial behaviours. The model is intended to depict how industrial network structure and environment create entrepreneurial opportunities, influence entrepreneurial behaviours and facilitate entrepreneurial behaviours to exploit these opportunities.

The main propositions of this article are as follows:

P1: Classical and neo-classical viewpoints on the advantages of industrial cluster such as, innovative capability, specialization, tacit knowledge, integration with global value chain, scope and scale economies enable industrial clusters to create entrepreneurial opportunities within clusters.

P2: Based on the structure hole theory (Burt 2004), and weak tie theory (Granovetter 1973), the network structure of industrial clusters can also supply entrepreneurial opportunities to firms in a certain network position.

P3: The industrial environment and network structure will also shape the entrepreneurial behaviours because of imitation and shared codes (De Carolis and Saporito 2006).

P4: The social capital and environment endowed in the industrial clusters will influence the exploitation process of entrepreneurial behaviours on entrepreneurial opportunities.

The industrial cluster is an important source of entrepreneurial opportunity. A prominent feature of geographical cluster is the extensive network of inter-firm linkages supporting knowledge trading and innovative collaboration (McEvily and Zaheer 1999). Industrial clusters have been viewed as a cluster of entrepreneurs in a social network. The clustered activities of entrepreneurs and heterogeneous or homogenous networks within clusters should also influence the creation of entrepreneurial opportunities. Different types of industrial clusters endowed with different network structures and innovative mechanisms have different opportunity creation characteristics and influence entrepreneurial behaviours in different ways. The main forces that destroy market equilibrium are technology innovation or process innovation. Industrial clusters have been regarded and researched by many scholars as the regional innovation system. The frequent innovation activity within industrial clusters, whether from the supporting agencies or from the clustered entities, should bring more entrepreneurial opportunities than non-clustered regions.

Implications

The industrial cluster facilitates the entrepreneurs in the process of entrepreneurial opportunity discovery, evaluation and exploitation. Informal contacts in industrial clusters are important channels of knowledge diffusion (Dahl and Pedersen 2004). The intelligence sharing and the specialization among firms make entrepreneurs within industrial clusters more easily able to identify opportunities than entrepreneurs outside of clusters. Accessibility of exclusive resources and information in the networks of industrial clusters, facilitate the entrepreneurs to evaluate and exploit opportunities. From the psychological side, industrial cluster network will also sharply increase entrepreneurs' cognitive bias, which reduces the risk avoidance and increases the opportunity exploitation possibility.

This paper provides a new perspective to answer the question why industrial clusters matter. It updates the current research to look at the relationship between industrial cluster and entrepreneurship from the dynamic mechanism of industrial clusters on entrepreneurial process, instead of focusing on the promoting role of entrepreneurship in an industrial cluster. Different from the traditional view on industrial clusters, here, the industrial cluster is seen as the source of entrepreneurial opportunities and a mediator that facilitates the entrepreneurial behaviours acting on opportunities.

GENDER MODERATING EFFECTS ON ENTREPRENEURIAL ATTITUDE, INTENTION, AND START-UP BEHAVIOR OF NASCENT ENTREPRENEURS

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Principal Topic

Attitude, amongst other factors, plays an important role in influencing our intentions to behave in a particular way which, in turn, influence our actual behavior (Ajzen, 1991). For example, it has been demonstrated that there is a relationship between entrepreneurial attitude and business start-up intentions (Lindsay et al., 2009).

Since research has demonstrated that females think and process information differently than males, it can be expected that female nascent entrepreneur attitudes, intentions, and start-up behavior may differ from male nascent entrepreneurs. This issue is the focus of this research.

The underlying research question addressed is to what extent do female nascent entrepreneur entrepreneurial attitudes, start-up intentions, and start-up behaviors differ from (or are similar to) those of male nascent entrepreneurs. This is an important question to answer because there is an increasing number of females starting businesses and the relationship between entrepreneurial attitude, business start-up intentions, and start-up behavior has not been previously explored when gender is employed as a moderating variable. Since attitudes and intentions are susceptible to change over time, examining these variables requires a longitudinal perspective to account for their dynamic nature (one-shot cross-sectional studies may produce spurious results because they cannot take into account the dynamic inherent in these types of variables). For this reason, a longitudinal approach is adopted in this research.

Method

This paper reports on the analysis of 141 male and 146 female nascent entrepreneurs. The research design is longitudinal with repeated measures taken at three intervals over four and a half years. The first set of measurements was taken at baseline (T1), the second set was taken one year later after participants engaged in an intensive one year duration entrepreneur training intervention (T2), and a third set of repeated measures was taken three and a half years subsequent to the training intervention (T3) to determine to what extent the training intervention had a lasting effect on participants. Participants were long-term unemployed who needed to establish businesses out of necessity because they were unable to obtain jobs and because there were no social security benefits payable to them. Measures were taken of participants' attitude toward opportunity recognition (McCline, Bhat, and Baj, 2000), entrepreneurial intentions to establish a business in the foreseeable future, and business startup behavior. All variables were measured using Likert scales. Participants were recruited

Results and Implications

An initial review of the data revealed a number of gender differences and similarities over the duration of the project. First, entrepreneurial attitudes increased for both female and male entrepreneurs after the training intervention and then subsequently decreased. There were no significant gender differences over time. Second, entrepreneurial intentions peaked after the training intervention and then decreased at T3. There were significant intention differences at each point in time with females demonstrating higher business start-up intentions than males. Thus, the entrepreneurial training intervention appeared to have a marked effect on both entrepreneurial attitudes and entrepreneurial intentions for both males and females immediately after the intervention but the effects of this dwindled over time. Third, business start-ups progressed further with females than males at T3. Female nascent entrepreneurs appeared to be more proactive in establishing businesses than their male counterparts. One explanation for this is that females may be more driven than male nascent entrepreneurs because in a male dominated society such as South Africa, females need to prove that they are just as good as (if not better than their male nascent entrepreneur counterparts) in starting businesses.

For males, entrepreneurial intentions at T1 influenced T2 intentions; however, entrepreneurial intentions at T3 were not influenced by T2 intentions. T3 intentions were more influenced by entrepreneurial attitude. There was a significant relationship between T3 entrepreneurial intentions and business startup behavior at T3; however, T1 and T2 entrepreneurial intentions had no effect on business startup behavior. Thus, although there is support in the literature for a relationship between intentions and behavior (Ajzen, 1991), it appears that the further away the intentions are from the behavior, the less reliable they are in predicting behavior.

For females, there was no relationship between entrepreneurial intentions at T1 and T2. Intentions at T2 appeared to be more influenced by entrepreneurial attitude than T1 intentions. There was a significant relationship between T3 entrepreneurial intentions and business startup behavior at T3; however, T1 and T2 entrepreneurial intentions had no effect on business startup behavior. Thus, once again, it appears that the more distant intentions are from a planned behavior, the less reliable they are in predicting that behavior. Intentions appear to be more reliable when they are more closely linked to a behavior in time.

PASSION AND CHALLENGES: WOMEN STARTING NEW VENTURES AT FIFTY

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Principle Topic

The number of entrepreneurs starting ventures at fifty is increasing. Many of these entrepreneurs are female; their businesses are successful showing considerable growth. The more we understand about their motivations and needs the more likely we are to be able to offer the right encouragement and support. We still do not have a complete understanding of these issues.

This study aims to fill the gap and addresses the following questions:

- What motivates female entrepreneurs to start a business at the age of fifty or over?
- What resources are available to them and what help do they require?
- Do their needs and the resources available to them differ from those of men who are starting new ventures at a similar age?

Method

The fourteen entrepreneurs in this small study were self selecting; responding to our request for an interview. All are successful entrepreneurs having created their ventures at age fifty or over; twelve in their fifties and two in their sixties. They comprise seven women and seven men; their ventures are in retail, information technology, drug development and engineering. They are profitable, employing staff and growing.

The cases were developed from a common interview template, derived from literature on the new venture creation process and previously tested in other interviews with entrepreneurs. The questionnaire was semi structured ensuring key issues were covered but also allowing the entrepreneur to tell their story. Questions identified: motivations for starting a business; enabling and facilitating factors, including supportive social, regulatory and economic environment; previous experience and use of resources; the process of finding, screening and bringing the idea to fruition; and the barriers encountered during the process.

Each interview was taped and transcribed. The collection of transcripts was subjected to content analysis; responses were coded and grouped under the themes in order to identify the issues of greatest importance. Then a further analysis was undertaken to look for patterns, including any significant differences between the respondents.

Results

Twelve of the entrepreneurs in this study had been employed in larger organisations throughout their working life. It is often suggested that large bureaucratic organisations suppress entrepreneurial potential so we might conclude that this group would be unlikely to feel motivated to become entrepreneurs. However their frustration with bureaucracy was a contributing factor to their starting a new venture.

In this sample of older entrepreneurs the triggers for starting a business are divided into those associated with disillusionment and those with passion, including a need to find an outlet for creativity and self actualisation. However half of the women said they felt that now their family was off their hands this was the time to pursue their own goals. They were passionate about fifty being a great age to start a business, and very determined to succeed.

Whilst other studies of younger female entrepreneurs have suggested they may experience guilt about time away from the family, the women in this study no longer faced this issue so could pursue their ambitions with less disquiet. In contrast they had family support; spouses lending a hand in the business or taking on more responsibility at home. This had led to some of the women to feel very fulfilled and liberated by their new experience.

The value of human, social and financial capital for the nascent entrepreneur has been much discussed in the literature. Almost all of the male entrepreneurs in this study have extensive levels of industrial and management experience, well-developed personal networks and a stronger financial base than their female counterparts and, as a result, may face fewer business risks at this stage of their lives.

Most of the men had started ventures in areas related to their previous work. The women in this study compensated for their lack of industry experience by starting ventures connected with problems and needs they had experienced in their everyday lives.

The entrepreneurs discussed the problem of getting good advice; particularly about issues related to growing the business. This was a considerable problem for the women many of whom were not totally confident in their abilities and were struggling to find a suitable person who might be willing to offer ongoing mentoring advice of a strategic nature.

Implications

The over fifties are a significant and growing group. They have much to offer in terms of accumulated life and business experience. The female entrepreneurs in this study are using their passion, creativity and energy to create ventures that are succeeding. Whilst women are keen to take up the entrepreneurial challenge they may feel less well equipped to start and grow ventures than men of the same age. They do not necessarily have the industrial experience and may not have networks which they can leverage for the business. They know what they want to do but often lack confidence. Once their ventures are started they seek mentoring advice to help them grow the business but struggle to find mentors who are both supportive and challenging.

Women in their fifties are an untapped resource. More could start ventures and contribute to the economic well being of the UK. In order for this to happen there needs to be more focused support. Programmes for female entrepreneurs help but the over fifties need just a little bit more in terms of encouragement and support, well trained mentors could make a significant difference.

SOCIAL ENTERPRISE VERSUS SOCIAL ENTREPRENEURSHIP: EXAMINING BOTH IN THE CONTEXT OF MICRO-ENTERPRISE DEVELOPMENT

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¹ QUT

Principal Topic

The terms 'social enterprise' and 'social entrepreneurship' are often used interchangeably in the literature. Arguably, however, the two concepts are distinct, as not every enterprise (social or otherwise) is entrepreneurial. Whilst the distinction between small business and entrepreneurship has been made within mainstream entrepreneurship literature (Beaver, 2003; Carland, Hoy, Bolton, & Carland, 1984), we argue a similar distinction is necessary with respect to social enterprise and social entrepreneurship, in order to clarify and refine fundamental concepts and understandings which underpin growing areas of research.

Ultimately there are clear commonalities between social enterprise and social entrepreneurship, in that they both blur the boundaries between for-profit and not-for-profit activities, combining commercial activity with social objectives (Chell, 2007; Dart, 2004; Mair & Marti, 2006). Yet, there are also important distinctions. Literature on entrepreneurship shows innovation, proactivity, and risk-taking (Covin & Slevin, 1989; Dess & Lumpkin, 2005) are central to entrepreneurial activity, irrespective of the context (Drucker, 1985). Hence, these characteristics should be considered fundamental to social entrepreneurship (i.e. entrepreneurial activity undertaken by social enterprises).

While social enterprises have emerged in various forms, non-government organisations (NGOs) involved in micro-enterprise development are an established and growing form of social business. As such, NGOs operating micro-enterprise development programs provide a valuable context in which to examine the concepts of social enterprise and social entrepreneurship, in terms of traditional approaches versus innovative, proactive, and risk-taking approaches to address poverty alleviation.

Method

In order to gain an understanding of NGOs' approaches in helping poor communities engage in micro-enterprise development and in supporting micro-enterprises to become financially sustainable, this study examined the operations of 10 NGOs operating micro-enterprise development programs in Vietnam. Through a review of archival data on each NGO collected from publicly available sources, and in-depth interviews with a senior executive from each NGO in 2010, an exploratory study was undertaken to examine the different approaches of NGOs to micro-enterprise development, gaining external and internal perspectives (Evered & Louis, 1981).

Themes emerging from a review of the existing literature and publicly available data on each NGO provided an initial framework for data analysis. Emergent findings, however, in the context of NGOs adopting and adapting traditional methods to poverty alleviation, and those taking a more innovative and proactive approach, were considered in the context of themes from social enterprise and social entrepreneurship frameworks. The resulting findings provide new perspectives on NGOs' approaches to micro-enterprise development, and highlight the contrast between social enterprise and social entrepreneurship as distinct concepts.

Results and Implications

An examination of the operations of 10 INGOs operating micro-enterprise development programs in Vietnam reveals a clear distinction between those organisations applying traditional approaches to micro-enterprise development, and those which have adopted innovative, proactive, and often risk-taking approaches to address a growing social problem. In particular, findings on social entrepreneurship extend to how NGOs fund and finance their operations (a reliance on grant funding versus self-funding), 'currency' and terms of loans provided to poor communities (cash versus in-kind advances), approaches to training, and program design and implementation more broadly.

From a theoretical perspective, findings provide a valuable basis to understand and appreciate the various differences between social enterprise and social entrepreneurship, based on innovation, proactivity, and risk-taking. The resulting clarity provides an important foundation to guide and refine future research in both areas.

From a practical perspective, findings provide important insights into new approaches to micro-enterprise development in countries such as Vietnam, where significant progress towards poverty alleviation has been made. An appreciation of *how* effective long-term outcomes are being realised provides valuable guidance to others (including policy-makers, donors, and practitioners), seeking new ways to address long-standing social problems.

THE RESEARCH AGENDA ON GENDER AND ACCESS TO FINANCE AND ITS SIGNALS: EVIDENCE FROM A LITERATURE REVIEW

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The nature of the topic; gender and access to finance has been a subject of research and debated over the past decades. The endurance of the topic is not surprising since gender equality in the entrepreneurial process is highly relevant to economic development and labour employment. Thus, advancing our knowledge about gender and access to finance is important.

This paper aims to review research done on the topic; gender and access to finance from top entrepreneurship journals. This aim includes an overview of types of finance studied. Thereby, we provide an overview of the structures within the research done on the topic women entrepreneurs and access to finance. This paper hereby explores on the research done in the academic field of entrepreneurship regarding gender and access to finance to better understand its established structures.

This article uses the lens of signalling theory (e.g. Rynes, 1991) exploring research done on the topic; gender and access to finance. Examining whether or not scholars work on the topic of gender and access to finance cover all types of finance may indicate more or less unaware structures in the research community. This is of both practical and theoretical importance. Advancing the awareness of such structures in research may offer important opportunities to achieve involvement in research on gender aspects in access to finance. In line with signalling theory, the established research agenda signals important thought structures in the research community of women entrepreneurship. An academic field represents a community of scholars with a common research focus defined by an accepted set of accepted structures where certain areas of topics become “valid” while other areas may be held in the shadow of the “valid” areas.

Method

We explore on the chosen topic by identifying and analyzing research published on gender and access to finance in major entrepreneurship journals in line with the journals other researcher have identified as leading entrepreneurship journals (e.g. Meeks, Neck & Meyer, 2001; Ratnatunga and Romano, 1997; Ahl, 2004; Gatewood, Carter, Brush, Greene, Hart). We made a content analysis of the identified research articles covering the topic women's entrepreneurs and type of finance studied. The wide-ranging search of the entrepreneurship literature and the following analysis led to the development of a framework of areas or types of financing studied within the topic of gender and access to finance that facilitates the classification of a vast body of literature.

Findings and implications

A key finding from the review of the field gender and access to financial capital is a skew focus, outlining a biased structure. Most reviewed studies focus on access to bank financing and micro financing while there is a considerable less focus on access to venture capital funding and IPO. The identified structures signal gaps in research on the topic which provides basis for suggesting expanded topics related to types of finance for future research to advance the field. The structures in past research on the topic indicate social constructions in the field that signals legitimacy of research endeavours. We discuss how the social constructions established in the research field position research on the topic woman entrepreneurs and access to finance.

We would like to alert for the risks that the field of entrepreneurship research neglect studying and signalling women entrepreneur's obstacles in accessing larger types of finance impeding on growth opportunities.

Our findings highlight the importance of directing the research agenda on both the larger capital and the smaller capital instead of solely on smaller capital in the field of women entrepreneurship research. A shift in thought is necessary, from the view that women entrepreneurs only engage in micro finance and bank finance to a view that incorporates women entrepreneurs as involved in venture capital and IPO activities as well. We challenge the social constructions in the research community. The biased signalling as a consequence of skewed research focus may have severe effects on policy and practice regarding women entrepreneur's access to finance. If we, as researchers acknowledge our role as influencers of policy and practice, we need to study the phenomenon we wish to influence. If we, as researchers maintain the established social constructions in which women entrepreneurs are neglected as potential investments for venture capitalists or for IPO activities, we signal to policy

and practice that women are 1) not interested in such finance; 2) are too few to even bother looking at; 3) there exist no problem for women to access financing of this kind and 4) are lacking growth ambitions. Taken together we argue that public policy-makers have had little guidance from research on women entrepreneurs' access to the larger capital.

DEINSTITUTIONALIZATION RESISTANCE - THE CASE OF IMPLEMENTING AN ENTREPRENEURIAL PEDAGOGY IN A MILITARY ACADEMY

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Principal Topic

Changes in surrounding threats and changes in society call for changes in the defence forces in Sweden into developing soldiers' and officers' abilities regarding creativity, independence, imagination, courage and willingness, which are also labelled expeditionary abilities (Abrahamsson and Danielsson 2007; Borell 2004). Nevertheless, *"military education is not performed with a clear focus on creativity and independence. Imagination, courage, and willingness are lacking in the education and conscript officers rarely participate in the design of the education"*². In order to address the gap between current state and future needs the regulation "Basics of Pedagogy" was developed. This regulation was also enforced by the supreme commander.

We build upon institutional theory (DiMaggio & Powell, 1983; Scott, 2001; Oliver, 1991), specifically on the conversation regarding deinstitutionalization of existing practice (e.g. Oliver, 1992; Maguire & Hardy, 2009; Suddaby, Cooper & Greenwood, 2007). A stream of studies has developed within institutional theory that seeks to explore how practices get deinstitutionalized (e.g. Ahmadjian & Robinson, 2001; Davis, Diekmann & Tinsley, 1994; Farjoun, 2002; Greenwood et al. 2002; Maguire & Hardy, 2009; Munir, 2005; Oliver, 1992; Scott, 2001; Suddaby et al. 2007). Deinstitutionalization is the process by which institutions weaken and disappear (Scott, 2001). As such, it is a key process as the end of one practice marks the beginning of another (Scott, 2001; Farjoun, 2002).

As such, this study aims to increase the understanding of institutional mechanisms in the deinstitutionalization of education within the defence forces. More specifically the study aims to explore the implementation of a new entrepreneurial pedagogy.

Method

A case study was designed where implementation of a new entrepreneurial pedagogy in education at a Swedish military academy was focused. Interviews were held with two pedagogic experts in the defence forces and with three teachers in leadership. The interviews lasted around two hours each and the interviews were recorded and transcribed. Secondary data from a student survey was also used. This triangulation of methods aimed to both validate data collected through different sources and to crystallize and enrich the view of the studied phenomena. Content analyses were carried out by the researchers. Findings were also validated through feedback from the interviewees.

Results and Implications

The findings show that the implementation as a whole failed, and only minor changes were established. Decreasing support from the regulative mechanisms in combination with continuous strong normative and cognitive mechanisms appears to provide basis for understanding the failure to implement the new entrepreneurial pedagogy. The strong normative and cognitive mechanisms driving for sustaining the traditional pedagogy imply a hinder to develop the abilities; creativity, independence, imagination, courage and willingness that were the original reasons for launching the implementation of the new entrepreneurial pedagogy. This has implications on implementation of entrepreneurial pedagogy in other institutions, for instance management of entrepreneurship education. Findings also indicate that strong normative and cognitive mechanisms may lead to interpretations of regulations that causes alteration of the regulation's intended outcome in order to fit the already existing institutionalized practice. This study addresses a number of gaps in the institutional literatures. First, this study contributes with implications on the role of regulative, normative and cognitive mechanisms in adoption, persistence and disruption of a practice in line with the Hopwood (2009) and McSweeney (2009). Second, empirical studies of deinstitutionalization are rare (Maguire & Hardy, 2009; Greenwood, Suddaby and Hinings 2002) despite the fact that the study of deinstitutionalization of existing practices is essential in order to understand institutional change or fail to adopt change. A practical implication is the importance of understanding tensions between the regulative, normative, and cognitive mechanisms and to deal with human resistance to change to increase possibilities to realize a change in complex and dynamic organizations (Szabla 2007).

2 SOU 2000:21, *plikutredning – Totalförsvarspplikten*, p. 302ff.

ENTREPRENEURIAL MOTIVATIONS AMONG FEMALE UNIVERSITY YOUTH IN SAUDI ARABIA

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Principal Topic

This study explores the entrepreneurial motivations of female university youth in Saudi Arabia, a topic virtually untapped by current research. Saudi women have traditionally remained invisible to the outside world, restricted to the domestic roles of wives and mothers. Gender segregation has additionally constrained their pursuit of economic and social opportunities.

According to the World Economic Forum's 2009 Global Gender Gap Report, Saudi Arabia ranks 133th of the 134 countries included in the report in terms of economic participation and opportunity and 134th in political empowerment. Recently, however, there has been a rise in the number of women-owned businesses, which presently account for about 12% of all firms in the country, including 16% of the large manufacturing firms (AlMunajjed, 2010). Saudi women hold more than \$13 billion in local bank accounts that could potentially be invested in the local economy (Knowledge@Wharton, 2010). In 2006, 57% of the university graduates in Saudi Arabia were women and this rising education level has been a major factor in the increase of women-owned businesses (AlMunajjed, 2010; Ambika, 1998). Recent government policies targeted at transitioning to a knowledge-based economy, promotion of entrepreneurship, and "Saudiization" of the labor force have additionally facilitated the rise in women's entrepreneurship.

We use economic, human development, and social learning perspectives to frame our argument. Economists differentiate between two types of motivations to start a new venture: opportunity-based and necessity-based (Sternberg et al., 2006; Block & Wagner, 2010). As defined by the Global Entrepreneurship Monitor (Acs et al., 2004), "necessity-based" entrepreneurship occurs when individuals participate in entrepreneurial activities because all other employment options are either absent or unsatisfactory. This is in contrast to "opportunity-based" entrepreneurship, which takes place when individuals participate in entrepreneurial activities in order to exploit a perceived business opportunity, usually for an economic gain. Saudi women currently account for merely 15% of the workforce, among the lowest labor participation rates in the world (AlMunajjed, 2010). Women are concentrated in certain professions that are seen as feminine and remain in less distinguished positions than

men. The unemployment rate among women is currently 26.9%, nearly four times that of men (AlMunajjed, 2010). Hence, we hypothesize:

H1: Saudi women will be more likely to have a necessity motivation to pursue entrepreneurship compared to men.

Work in the field of human development and career choice has identified several career reasons to start a new venture, such as: self-realization, financial success, recognition, roles, innovation, and independence (Carter et al., 2003; Scheinberg & MacMillan, 1988; Shane et al., 1991; Birley & Westhead, 1994). Prior research has established that men are more often motivated by financial and instrumental concerns whereas women are more often motivated by relational and social concerns (Smith, 2000; Carter, 1997; Rosa et al., 1996) and seek to balance economic goals with other kinds of goals such as personal enjoyment and helping others (Brush, 1992; Cliff, 1998). Hence, we hypothesize:

H2: Saudi women will be less likely to have a financial success motivation to pursue entrepreneurship compared to men.

Finally, social learning theory (Bandura, 1977; Harriman, 1985) suggests that differing social expectations for men and women lead to divergent motivations or work preferences. In Saudi Arabia, the gender ideology promoted in the political culture idealizes women's domesticity and elevates sex segregation (Al-Dabbagh, 2009). Traditionally, women have not been considered a great economic asset (El-Ghannam, 2001) and subsequently have not been socialized or encouraged to seek self-realization through participation in economic life. Hence, we hypothesize:

H3: Saudi women will have a narrower range of motivations to pursue entrepreneurship compared to men.

Method

To test our hypotheses, we use data from a unique survey of entrepreneurial motivations among Saudi youth, collected from students in King Saud University (the oldest and largest Saudi University) in the Spring of 2010. The total sample size ($n = 952$) is comprised of 599 men and 353 women. Following Sadi & Al-Gazali (2010), we measure entrepreneurial motivations by 11 binary items. The hypotheses are tested using cross tabulations and analysis of variance.

Results and Implications

As hypothesized, preliminary results from this exploratory study indicate that female university youth in Saudi Arabia are more likely than men to start an entrepreneurial venture out of necessity (H1 supported), whereas men are more likely to have a financial success motivation (in support of H2). Both of these results are in keeping with findings from other economic and institutional contexts (Cliff, 1998). At the same time, Saudi men have a broader range of entrepreneurial motivations, compared to women (in support of H3). This result contrasts findings documented by research in the context of Western economies, where women have been found to be driven by a broader range of entrepreneurial motivations compared to men (Brush et al., 2010).

These findings, shaped to a significant extent by the unique institutional context in Saudi Arabia, where women still face significant challenges and restrictions in their social realization, have important implications for public policy and entrepreneurial training. Implications point to the need for initiatives specifically focused at young women and building their confidence that entrepreneurship is a viable route to accomplish a broad range of career reasons. The more (and stronger) the motivations to embark on an entrepreneurial journey, the greater the likelihood that more young Saudi women will consider it a legitimate and desirable route for self-realization.

BECOMING AN EXPERT: THE ROLE OF GOAL ORIENTATION AND ROLE MODELS IN DEVELOPING ENTREPRENEURIAL COMPETENCE

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Principal Topic

Competent individuals have the capacity to effectively interact with their environment (White, 1959). Gaining entrepreneurial competence requires entrepreneurs to build capacity to successfully create new means-ends frameworks (Sarasvathy, 2001) and to produce future products and services (Shane & Venkataraman, 2000). An expert can be described as an individual who attained reliably superior performance in a specific domain, i.e. making decisions under uncertainty (Ericsson, Charness, Feltovich, & Hoffman, 2006). Research has shown that experts think more conceptually, thinking about the bigger picture and not only about the task at hand, they reason through analogy (Dew, Read, Sarasvathy, & Wiltbank, 2009); feeling in control allows them to remain more flexible and perceive contingencies as opportunities for themselves (Lefcourt, 1982). Consequently, expertise contributes to venture success.

The expertise can be learned through deliberate practice (Ericsson, Krampe, & Tesch-Roemer, 1993; Unger, Keith, Hilling, Gielnik, & Frese, 2009). Additionally, as argued by Johannisson (1991) embeddedness in social structures and interactions with environment, in particular with personal network can accelerate this process. It has been shown that exposition to entrepreneurial role models has positive influence on individual's motivation to start entrepreneurial career (Davidsson & Honig, 2003).

Motivation deals with the causes of goal oriented activity (Atkinson, 1964) and involves a particular class of competence goals that fall into two classes: (a) learning goals, in which individuals seek to increase their competence, to understand or to master something new, and (b) performance goals, in which individuals seek to gain favorable judgments of their competence (Dweck & Elliott, 1983). Hence, individuals with preference for outcome goals are likely to be differently motivated to develop their competencies than individuals driven by learning goals.

Subsequently, the purpose of the paper is to explore how the preference for either outcome or learning goals influences individual's motivation for and process of becoming an expert.

Methods

Drawing on literature on expertise and Johannisson's (1991) classification of entrepreneurial competences, I analyze accounts of both novice and expert chefs and restaurateurs and their recollection of the development, in particular the learning process and their motivation. The data combines stories told by industry insiders (renowned chefs themselves, i.e. Thomas Keller, Heston Blumenthal, Rene Redzepi) with those written by writers (about Bernard Loiseau, Mario Batali, Marco Pierre White) as well as self-reflections collected by reporters who engage in learning to learn the craft (Micheal Ruhlman, Bill Buford). This triangulation of data allows presentation of more coherent and more encompassing picture of the development process. While some of the sources clearly focus of self-reflective learning, others describe more the critical events in lives of these restaurateurs.

The context of cooking and becoming a chef and restaurateur is a suitable context for understanding the process of gaining entrepreneurial expertise, because 1) expert restaurateurs, and in particular gourmet restaurateurs often exhibit many characteristics that are similar to innovative entrepreneurs, and 2) becoming a restaurateur is often viewed as a natural progression step in a chef's career. Finally, restaurant industry is characterized by existence of strong master and apprentice model that shapes the learning process.

Results

The preliminary findings suggest that restaurateurs showing preference for learning goals are more likely to become expert entrepreneurs and develop more entrepreneurial competencies. These individuals are driven by mastery needs, they strive for excellence in every aspect of their work, they experiment much more than restaurateurs with preference for performance goals. Moreover, the preference for learning goals leads to increased creativity and trial-and-error behavior and active interaction with society, more efforts to attain the know-why competencies, while preference for outcome goals results in rather imitative behaviours, focus on know-how as sufficient indicator of competence and withdrawal from social interaction with actors perceived as more competent.

Furthermore, this paper emphasizes the different role that role models play in the competence development process. In particular, while learning-oriented individuals see their role models as a source of inspiration to attain the aspired level of competencies, the outcome-driven individuals see role models as potential contender which subsequently can lead to more surface learning.

The study provides a foundation for better understanding how source of motivation (external versus internal) is likely to influence the strategies used by entrepreneurs to imagine new means-ends frameworks and generate new offerings. By linking the availability of role models during different phases of competence development, it has been shown how the function to role models changes in the process. In doing so, this paper contributes to the literature on entrepreneurial education suggesting the necessity to adapt adopted roles to competence level.

HOW CAN DESIGN METHODOLOGIES BUILD STRATEGIC RENEWAL IN SMES?

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¹ QUT

Principal Topic

This research investigates firms who participated in a design intervention program that is largely focused on a goal of making SMEs internationally competitive and sustainable, through design, such that the success of these companies encourages other companies to follow their lead (Smart Council, 2010). The design intervention program aims to create a major mindset and capability shift in companies and has ambitious goals to improve design capability. In particular the goal is for companies to “create high value, highly differentiated products, brands and services; lead markets by creating products and services that address emerging and latent market needs; improve price premiums and margins; and create and sustain competitive advantage and growth in international markets by competing on capabilities, not just products and brands; and on differentiation, not just price” (Smart Council, 2010).

Until relatively recently, interest in the notion of how designers think and contribute to innovation was largely focused on developing new products (Roy & Riddel, 1997; Utterback et al. 2006). More recently, design thinking applied to business strategy and business transformation is sometimes described as integrative thinking (Cooper, Junginger & Lockwood, 2010), where the focus on design thinking centers on innovation and business transformation, which involves the discovery of unmet needs and opportunities, as well as creation of new visions and alternative scenarios.

The research question we are investigating is: How do SMEs that participate in a design intervention program use design thinking and methodologies to contribute to innovation activities and improved business performance. Previous research has identified that as a result of participation in a design intervention program, some SMEs have engaged in strategic renewal and new business models resulting in improved business performance. We use Agarwal & Helfat's (2009) definition of strategic renewal as the “potential to substantially affect long-term prospects of a company, the refreshment or replacement of attributes of an organisation and aims to provide a foundation for future growth and development” (Agarwal & Helfat, 2009 p 282).

The contribution we are seeking to make is to increase knowledge about the processes of design led innovation and the benefits, challenges and impact of such interventions for innovation activities and business performance of small and medium enterprises.

First we develop a clear picture of design and design intervention programs through a brief literature review. Second, we use detailed case studies of firms who have participated in a design intervention program to investigate the design intervention processes and outcomes. Third we identify the common practices that emerge from design technologies, as well as new ideas that contest conventional wisdom and challenge prior assumptions.

Method

The paper reports analysis of interview and secondary data collected from firms who had participated in a design intervention program, established with the explicit objective to improve the financial performance of small and medium enterprises by the strategic use of design. We use the Danish Ladder of Design to indicate the extent to which firms engaged with design: from no design, to design as style, design as process, or design as innovation (Fleetwood, 2005).

Face to face in-depth interviews by members of the research team with CEO's and senior managers in structured in-depth interviews of sixty to ninety minutes, which were recorded and transcribed. The purpose of the interviews was to obtain insights from firms on their experiences and outcomes with design intervention program. Specifically the interviews looked for information on: firm engagement with the program; business processes and outcomes; changes in business strategy; and the use of design as a strategy process. The interview data was analysed using qualitative data techniques (Miles & Huberman, 1994) to identify themes around expectations, barriers, processes, and outcomes of innovation intervention program. The interview data was extended by secondary data and site observations and documents or other material from the field sites.

Results/ Implications

Our initial analysis of data indicates that there are distinct changes in the extent to which design thinking and design methodologies are used, around strategy and design in the self-perception of the firms and their potential position in the marketplace. SMEs demonstrated that firms must address the demand side as well as the supply side of their innovation activities (Kim & Pennings, 2009).

This research has implications for many firms. It is particularly relevant for firms who have some experience with design as an existing capability with in the firm particularly in product development. The findings from this research provide some initial indications about SMEs that participate in a design led innovation program. In particular we find that all the SMEs had excelled in the development of new products for an ever-changing marketplaces and hence acknowledged the key importance of design and its application for their organisations' competitive advantage.

Findings from this pilot study will be applied and later extended in a longitudinal study of Australian small and medium companies that undertake design intervention programs. The research will have important outcomes for small and medium enterprises that are considering participating in programs designed to encourage entrepreneurship and innovation. The findings will also have implications for the designers of intervention programs, intermediaries involved in the application of these programs and policy developers.

THE ROLE OF EMOTIONS IN SUPPORTING ENTREPRENEURS: THE CASE OF INDEPENDENT PROFESSIONALS

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Principal Topic

Outside perceptions of the working world of the independent professional are beset by contradiction. On the one hand, the 'futurologists' of the late 1980s, mid-1990s, such as Handy (1989), Rifkin (1995) and Bridges (1995) who provided very positive but also highly speculative accounts of independent professionals as an autonomous elite. In comparison, others have described the independent professional as marginalized and vulnerable (see Blanpain & Nakakubo, 2010; Casale, 2011; ILO, 2011; Rogers, 2000; Sutherland & Riley, 2010; Thompson, 2003). It is the latter view which dominates the literature on workers who fall beyond the bounds of the 'traditional' employment relationship, where terms such as 'nonstandard', 'non-traditional', 'atypical', 'peripheral' and even 'precarious worker' (O'Donnell, 2004; Stewart, 2002) are common. Although such terms have been associated with temporary and part-time workers, they are also perspectives that capture aspects of the independent professional (McKeown, 2005; Underhill, 2006). Such terms are charged with negativity and have the potential to impact on independent professionals' views of themselves.

However, this type of language is in stark contrast to the language of entrepreneurialism in which the self-employed, independent professional is lauded as the epitome of entrepreneurship – and seen as essential for international social and economic well-being (Bridges, 2010; Carsrud & Brannback, 2009; EC, 2010; OECD, 2010). There is common agreement that it is the independent professional who is more likely to begin new ventures in the future, providing key sources of innovation and job creation, which ultimately lead to economic growth and prosperity.

It is against this backdrop that we began our research and found very little research on understanding aspects of working independently such as well-being and engagement. This paper informs current understanding about the particularly powerful role that these concepts have in explaining both the emotionally charged nature of the movement of individuals into the IPro world of work, as well as the role that emotions play in sustaining and supporting this mode of work.

Method

In Australia, there is no national listing of independent professionals (IPros); hence it is not possible to draw a random sample. Therefore the research was conducted in partnership with Australia's largest professional engagement services organisation, providing professional engagement, business, financial, administrative and associated services to IPros and the organisations that engage them. The organisation invited all their currently registered IPros to participate in our online survey. The survey is based on five areas derived from valid and reliable psychometric scales of overall job satisfaction, work and well-being; affective commitment; perceived organisational support; and alternative employment opportunities. These were supplemented with further scales and items relating to volition, self-efficacy, psychological contract breach, and knowledge management/sharing to further our understanding about IPros and their working context. The results presented are based on 356 responses.

Results and Implications

The results from our survey contribute to a better understanding of the how emotions play an integral role in the move to, maintenance and sustaining of, the IPro workforce. This understanding is of benefit to individuals who want to know how to best manage life as an IPro as well as to organisations who want to make better use of their IPro workforce. From an organisational perspective, the results provide strong indications that IPros are an excellent option when flexibility, innovation and change are workplace features. IPros emerge as individuals who are emotionally capable of coping with uncertainty and who invest a lot of their professional identity into integrating themselves as seamlessly as possible into the organisations who engage their services. The responses offered by these IPros support the claims which relate to the importance of entrepreneurship and clearly provide organizations with flexible sources of job creation and innovation.

The contradictory nature of the IPro workforce, which forms part of the generally negatively viewed non-standard world of work, while simultaneously epitomising the entrepreneurial flame seen as the future for creativity and innovation, is hard to reconcile. However, as our study reveals, the emotions perspective which has emerged in the last decade, particularly that which is focussed on positive organisational behaviour, provides a fruitful basis for reconciling these views. It is a viewpoint which explicitly reveals the role of the IPro in delivering what organisations view as the "bottom line", namely performance and client satisfaction. We suggest that this is an exciting area for potential future research, particularly when exploring the work of IPros through an emotions lens. While our initial results are confined here to Australia, further research emerging internationally supports the view that it is not only the traditional legal and fiscal but also increasingly the psychological tensions around "new" self employment that are

a world-wide challenge to established systems of legal, social and government regulation. Within this context, we believe our study has a contribution to make in revealing that the increasing global movement to entrepreneurial activities by IPros also represents a future where individuals are increasingly confident and competent in organising their own employment. We conclude that the sooner we accept the reality of these moves and begin to examine what they really mean, the sooner these challenges can be answered and opportunities realized as sustainable development depends on, first, understanding of IPros and second, appreciating the regulatory framework and its impact.

THE SKILLED AND PROFESSIONAL SELF EMPLOYED: CHALLENGES FOR REGULATION?

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Principal Topic

There is increasing recognition and appreciation of the innovation and creativity the self employed bring to the workplace – particularly in a world emerging from recession (Bridges, 2010; EC, 2010; OECD, 2010). This paper is concerned with the growth in self-employment in developed economies, especially in terms of skilled and highly educated people. It draws on data that confirms that the self-employed are not only increasing in numbers and aspirations but are also consistently reporting higher levels of job satisfaction and wellbeing and also durability when faced with challenges (Casale, 2011; Eurofound, 2010; ILO, 2011; ONS, 2011).

The paper raises a number of core definitional, regulatory and policy issues that threaten the successful development of professionals in self-employment across many countries. For the purpose of this paper, the self-employed are defined as non-employees who do not employ others. They are, therefore, differentiated from other entrepreneurs that aim to develop their role through the employment of others. They see their creativity and contribution to growth through their work for organisations where they provide either high value cost effective professional services or advice and support that increases the efficiency of that organisation.

Method and key propositions

The paper draws on a variety of research data sources. These include surveys of skilled self-employed professionals themselves, whom we refer to as independent professionals (IPros), predominately drawn from Australia and the UK, as well as the EU. As well as this secondary analysis of established survey data by the ILO, EU, national governments and specific projects, such as the Global Entrepreneurism Monitor (GEM), we draw on our own qualitative data, including interviews and case-studies. A key task is the reconciliation of the data sources used and explicit recognition of the issue developed below which concerns the problem of defining 'who are the IPros. Are they individual workers who are not employees or are they micro businesses properly located within traditional SME statistics and literature?

The central proposition of the paper is that, despite the growth, popularity and economic relevance of IPros, they will remain vulnerable in terms of legal, fiscal and policy development because of some core, endemic dilemmas, anomalies and conceptual ambiguities. Perhaps the most important issue is the definitional one of how IPros are categorised. Traditionally, employment relationships are ones of either employee status or self-employment. The self-employed are unable to access employment law rights and social protections, though they may have access to some fundamental rights such as those relating to equality of opportunity and protection from occupational accidents and ill-health. Across economies, legal systems have struggled to differentiate the employee from the self-employed. This central ambiguity can be observed not only from research data on the self-employed themselves but from the way that governmental bodies respond to them. For example, within the EU, there is considerable uncertainty as to whether IPros are properly the concern of the Enterprise Director General, or of Employment and Social Affairs. This inevitably makes policy development problematic but also fuels misconceptions and antipathy. In part, this is caused by suspicions that the self-employed threaten traditional employment relations, or within the EU, the so-called European Social Model. In part, though, it is caused by tensions within the IPro community whereby there is no clear and agreed conception of whether they are micro businesses or whether they are simply have another specialist form of employment contract.

These issues carry over into fiscal policy and the political agenda more generally. Despite the attraction which self-employment holds for many and increasingly for young, well educated people, and the efforts of governments and others to promote enterprise, there remain considerable tensions and suspicions about this way of working. This centres of the perceived selfishness of the self-employed and their ability to use the tax system to their advantage. This result in 'cat and mouse' approaches by tax authorities, which presently appear to be intensifying.

Results and Implications

A clear and consistent picture emerges from the data we present. Self-employment amongst professionals is a status of well-informed choice. The reasons for opting for self-employment are also clear and appear to operate across jurisdictions and across occupations. Some people reject the perceived bureaucratisation, inflexibility and 'top-down' control of standard employment, but mostly people opt for self-employment because it provides greater variety, flexibility, job satisfaction and rewards. More importantly, the people who opt for self-employment as, say, as IT specialists, medical researchers, consultants, freelance workers in publishing, skilled construction workers etc appear to have far higher levels of wellbeing than employees, along with high levels of tolerance towards issues such as job insecurity, lack of traditional social security protections and general uncertainty. At the same time, perhaps less developed, data indicate that their skills and professionalism are well regarded by employing organisations and that there are considerable economic advantages for economies as well as individual employers to using self-employed workers.

Overall, our examination of IPros reveals them to be working in an environment in which the individual has control of his or her own actions and decisions. Individuals 'do business' within the commercial framework and realities of the market/s within which they operate. Self-employed people benefit from their actions and decisions and also suffer the negative consequences. We believe that this is entrepreneurship at its most individual and intimate level.

ENTREPRENEURIAL BUSINESS MODEL INNOVATION FOR GLOBALIZING NEW VENTURES: SMALL COUNTRY CASES

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Principal Topic

Combination of the concepts of “business model” and “born global” company (BG) for a rapidly globalizing high-tech small- and medium-sized enterprises (HSME) has become quite popular among innovative technology start-up entrepreneurs and investors as well as among researchers.

Internationalization is understood as entering other markets on the same continent, and globalization means expansion of the firm outside its home continent (Laanti, Gabrielsson, Gabrielsson, 2007). Luostarinen (1979) first introduced globalization strategy including three sub-strategies (or fields): the product (P), the operation mode (O) and the market (M), and altogether - POM-strategy. POM-strategy itself leads to global marketing strategy, which consists of pricing, distribution and customer strategy (Luostarinen, Gabrielsson, 2004).

Luostarinen and Gabrielsson (2004) have demonstrated that the BG may exist in any field of product categories of SME: (1) high-tech, (2) high-design, (3) high-services, (4) high-know-how, and (5) high-system businesses.

BGs do not need to start in or focus for long on the home market, they may start globally, i.e. on other continents, from the very beginning. This approach is important for knowledge- and technology-intensive companies from very small open economy countries where the home market is too small to feed R&D (push factor), while the demand of large global markets works as a real pull-factor (Luostarinen & Gabrielsson, 2004). But the concept of born global does not itself explain why and how some hi-tech small and medium sized enterprises (HSME) implementing their business models become global and some don't. Some companies operate for a long time in the domestic market, but then after some event (a critical incident) globalize themselves; these companies are called “born-again global” (BAG) firms (Bell, McNaughton & Young, 2001) and their behavior is defined as reactive (Bell et al, 2003).

The POM-strategy as a model covers and partly overlaps the components of business model: the way how a firm is creating value to all its stakeholders. From the company's position the business model is mediating technical inputs into economic output (Chesbrough & Rosenbloom, 2002). Although in some cases authors state strategy being a part of business model (for example, Jansen et al, 2007), the concepts really have intersection and it is hard to “draw sharp boundaries around abstract terms” (Magretta, 2002). Main issue is the fit between strategy and business model aspects (Zott, Amit, 2008).

The entrepreneurial process of reaching own business model by BGs includes (experiential) learning at both the individual (entrepreneur) and organizational levels (Corbett, 2005), in many cases the learning process results with new product(s) and related leveraging business models, company could named as “learned global” (Mets, 2008).

Research, idea generation, product development and testing, as a new trend of open innovation model, in some cases are incorporated into the framework of special communities and approaches called Living Labs which is a relatively new human-centric research and development phenomenon in innovation studies. According to that approach new products are co-created, tested, and evaluated in the users' own private context (Koria, Berg, Välikangas et al, 2010).

The paper aims to conceptualize and map the customer-driven entrepreneurial business model innovation for becoming global by technology- and knowledge-intensive SMEs of small country origin.

Method

Theoretical approach includes open innovation and resource-based view on SME growth, business model, knowledge management and entrepreneurial learning framework. The method and “knowledge-market” framework for HSME globalization trajectory analysis were created. The main criteria for selection of a case study company were the following:

- Small country origin of the company or/and tight relations with the “country”;
- The company should be relevant to a success story, i.e. it should be already global;
- The main development track of the company could be examined;
- Main part of knowledge and technology is created in the “country”;
- The companies represent technologies of different fields.

Case studies are used for mapping the main factors affecting innovation of business models by internationalizing technology intensive SMEs in the “knowledge-market” framework. The processes are mapped on the example of 3-4 IT and biotechnology SMEs of small country origin.

Results and Implications

The business model innovation and process of internationalization as a trajectory of three different routes: BG, gradual and BAG were analyzed. All three trajectories contain learning, which is more or less intensive at some moment and has different timing to company creation. The main result of learning is reaching a leveraging global business model, the way a firm will create value for all its stakeholders. The “knowledge-market” development trajectories of the globalizing companies can follow very different patterns between shapes from “S” to rotated “L”. Last trend appears to involve customers into product and business model innovation/development process, i.e. this is the process of co-creation. The main difference between BG and BAG is the moment of globalization, but also the timing of the learning period.

Main originality is related to identification of leverage mechanisms and knowledge-market development trajectories globalizing HSMEs of small country origin can implement. Model and empirical findings combining consumer involvement from idea generation to product/service concept tests in open innovation framework are presented.

Results of the general business model knowledge-market framework development and studies have practical value in implications for strategy, product and business model development of knowledge/technology-based international new ventures, but also for implementation of policy measures in R&D, innovation and entrepreneurship development programs on state, regional and institutional (for example: science park) level.

A DISCUSSION ON THE STATE OF ENTREPRENEURSHIP EDUCATION IN AUSTRALASIA

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¹ UTAS

"Why entrepreneurship belongs in college. Our recommendation is based on four key considerations. First, entrepreneurship is critical to understanding and succeeding in the contemporary global economy. Second, entrepreneurship is already an expanding area of American college learning. Third, entrepreneurship is becoming a basic part of what university themselves do. Fourth, entrepreneurship meets many of the goals of a quality American undergraduate education. To neglect entrepreneurship or relegate it to the educational sidelines makes undergraduate learning orthogonal to the world it is supposed to help students learn to understand." Kauffman Panel on Entrepreneurship Curriculum in Higher Education (2007).

"It is becoming clear that entrepreneurship, or certain facets of it, can be taught. Business educators have evolved beyond the myth that entrepreneurs are born, not made." Kuratko (2005: 580)

Background

Globally entrepreneurship is becoming more important. Entrepreneurship education in Australasia has been linked largely with the developments in the U.S. through the expansion of the International Council for Small Business (ICSB) and its regional affiliate Small Enterprise Association of Australia and New Zealand (SEAANZ). The joint Babson/Swinburn Australian Graduate School of Entrepreneurship annual conference (now the QUT Australian Entrepreneurship Centre's Australian Centre for Entrepreneurship Research Exchange annual conference) has created an emerging and growing Australian perspective of entrepreneurship scholarship and education. This study is part of an initiative to enhance the effectiveness and efficiency of entrepreneurship education in Australasia. The focus of this project is on the teaching- learning component of global and Australasian undergraduate entrepreneurship programs. The primary questions are how entrepreneurship is positioned in Australasian business schools and universities, what is the curriculum, and what are the pedagogies implemented. This discussion will help stimulate additional research and provide guidance on developing an effective and efficient entrepreneurship programs.

Entrepreneurship as an academic area of study in the U.S. was begun post WWII, with the first university level text being published in 1961, first undergraduate concentration in 1972, first entrepreneurship course outside a business school taught in 1983, and with over 1,600 institutions of higher education offering entrepreneurship courses by 2003 (Katz 2003; Klein and Bullock 2006). Internationally, the growth of interest in entrepreneurship education is less well documented but growing rapidly and has been recently investigated through the administration of the 2008 Global Entrepreneurship Monitor and a recent Babson College global entrepreneurship education consortium with universities from world-wide represented others (Martinez, Levie, Kelly, Samundsson and Schot 2010).

Currently there is great diversity in entrepreneurship programs from subject focus to teaching and delivery styles. There is no standardization in structure, process or content at this stage within or across nations and that is important to note. Entrepreneurship programs are often driven by the context of the university and region that they exist within, individual faculty/staff capabilities and interests, and preferences of funding sources. Typically, with few exceptions most university focus (either strategically or by default) on one or two areas within the general framework of entrepreneurship, small business management, family business, social entrepreneurship or corporate entrepreneurship.

Teaching styles vary from highly formal theory-based lectures and readings to very participate and hands-on projects and consulting. Some of the better known programs try to balance both. Solomon (2007) has recently studied the adoption of entrepreneurship in U.S. universities; and his (2007) study will be used as the foundation for the present study's data gathering efforts.

Potential Survey Items

Entrepreneurships' position in the University and Business School

1. Student interest in entrepreneurship is growing.
2. The number of entrepreneurship majors is increasing
3. Entrepreneurship classes are taken only by business students.
4. Entrepreneurship classes are taken by
 - a. Engineering students
 - b. Medical students
 - c. Science students
 - d. Arts students
5. The entrepreneurship discipline at our university is in
 - a. The school of business
 - b. The school of engineering
 - c. Other
6. Entrepreneurship classes are typically taught by business professionals.
7. Entrepreneurship classes are typically taught by doctorally qualified business faculty.
8. We have the following class coverage for the following
 - a. Foundations of Entrepreneurship
 - b. Small Business Management
 - c. Business Planning
 - d. Family Business
 - e. Entrepreneurial finance
 - f. Corporate entrepreneurship
 - g. Entrepreneurship and ethics
 - h. Entrepreneurial marketing and selling
 - i. Commercialization
 - j. R&D Management
 - k. Small Business Consulting
 - l. Other:
9. At our university we use the following educational methods in entrepreneurship
 - a. Cases
 - b. Lectures
 - c. Guest speakers
 - d. Business plans
 - e. Research projects
 - f. Actual business start-ups
 - g. Small business/social enterprise consulting
 - h. Term – length projects within a SME or social enterprise or internships
 - i. Business simulations
 - j. Business games
 - k. Field trips
 - l. Videos
 - m. Readings
 - n. Textbooks
 - o. Live cases
 - p. Field trips
 - q. Interviews with entrepreneurs and policy maker

HOW CAN GOVERNMENTS SUPPORT INNOVATION IN DEVELOPING ECONOMIES? THE CASE OF SMES IN VIETNAM

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Principal Topic

Small and medium enterprises (SMEs) play an important role in both developed and developing countries. These SMEs face many challenges such as the lack of capital, skilled workers, technology and market access (Ayyagari, Beck & Kunt 2003; Beck & Kunt 2006). Innovation is an important business activity for SMEs in overcoming these challenges (OECD 2010). Through innovation, firms can increase added value, broaden market share, increase profit and achieve growth (Thom 1990).

The importance of innovation in improving outcomes for the firm, the economy and society in emerging economies is unquestionable. Therefore, the governments of these economies, just like their developed counterparts, are investing in policies to support innovation (Michael & Pearce 2009). These policies include science and technology development strategies, financial assistance, technological assistance, human resource development and quality improvement programs. Although these type of programs have been touted to support innovation (Hussinger 2008; Lach 2002; Rao, Tang & Wang 2002; Schneider & Veugelers 2010), there are still concerns about their role in emerging economies. Further, programs designed in the context of advanced economies may not have wider application to developing economies.

This paper therefore investigates the role of government support initiatives in one developing economy; Vietnam. For over two decades, reform in Vietnam has resulted in many achievements in economic development, some of which record the significant contribution of the SME sector. At the end of 2009, SMEs account for 97 per cent of the total registered enterprises in Vietnam, of which just over 55 per cent were micro-sized enterprises with the number of permanent staff being fewer than ten (GSO 2010a). The Vietnamese government has introduced many support programs for SMEs such as soft loans and tax credits/exemptions that facilitate business startup. These programs may have effected positive change, as seen in increased innovation applications (WIPO 2010).

While these data indicate growing attention to the development and support of the SME sector in Vietnam, little is known about broader innovative outcomes and how it relates to other activities. Such data, and rigorous analysis thereof, is essential to inform the debate on the relationship between government support initiatives and innovation in developing economies. This paper addresses this gap, as described next.

Method

This paper uses data from the “Small and Medium Scale Enterprise Survey in Vietnam” conducted in 2005, 2007 and 2009 as a collaboration between the Institute of Labour Science and Social Affairs, and the Central Institute for Economic Management and Department of Economics at the University of Copenhagen under the Business Sector Support. Around 2,800 firms were sampled randomly to be interviewed with the response rate of nearly 98 per cent. After data cleaning and consistency checking of time-invariant variables between the three surveys we were left with a balanced panel of 1,758 firm observations in each year.

For this paper, SMEs employing fewer than 300 staff were targeted to assess the effect of government support on innovation activity. Logistic models of product and process innovation as the dependent variables were tested for the predictive relationship with government support initiatives in the form of financial assistance, human resource training and technological support. In addition, some firm and industry characteristics that have been linked to innovation such as firm age, firm size and firm industry were introduced as controls.

Innovation was measured as the introduction new technology, production processes, products or services or major improvements to existing products, services or processes (OECD 2005). Government support for finance, government support for human resource training and government support for technology were covering a broad range of initiatives such as; tax credits, tax exemption or reduction; soft loans from the Vietnam Development Bank or Vietnam Bank for Social Policy (financial support); training for SMEs and potential entrepreneurs in business start-up activities and business management or training for employees of firms; and quality and technology improvement programs such as training and grants for implementing quality assurance programs or technology transfer assistance. Firm size and age were measured in absolute numbers, while the manufacturing industry was divided into high, medium-high, medium and low technology sectors using the OECD (2009) approach.

Results and Implications

The results of the analysis show that different forms of government support have varying effects on product and process innovation. Financial support, such as soft loans has a negative impact on product innovation, which suggests that this type of intervention should focus on more direct spending on innovation such as R&D grants or R&D tax credits. Government support for human resource training and technology, however, had positive relationships with both product and process innovation, and their usefulness should be noted by governments in developing economies. Furthermore, the research indicates that government support for larger firms resulted in higher innovation efficiencies; confirming the importance of larger firms as innovators. The analysis of firms' technology sector indicate, contrary to expectations, that low technology firms have a higher innovation rate, albeit only a small difference among sectors for process innovation. Finally, although young firms have limitations in experience and business scale, it remains important that government support should focus on these firms especially in promoting technology that could help emerging economies in catching up with developed counterparts.

WOMEN ENTREPRENEURSHIP IN RURAL VIETNAM: AN EXPLORATORY ANALYSIS

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Principle Topic

The new rural development paradigm (OECD, 2006) indicates that entrepreneurship is a key tool for stimulating diversified and endogenous growth in rural development policy. It contributes more to rural development than simply economic and employment growth (Driga, Lafuente, & Vaillant, 2009). The reason for this is that in rural areas, entrepreneurship facilitates the diversification and synergy of local services and helps to retain local population by creating local career alternatives (Bryden & Hart, 2005). Entrepreneurship has been regarded as a driving force for the achievement of economic development and job creation, a contribution to personal development, and a solution for numerous pathogenic social phenomena (Bushell, 2008).

During the last few decades, female entrepreneurship has been expanding in most parts of the world (Driga, *et al.*, 2009) and the importance of women's entrepreneurship has been especially stressed in low-income countries (Bushell, 2008). Women's entrepreneurship is regarded as a prerequisite for household-level poverty elimination, national economic development and personal empowerment for women (Mayoux, 2001).

In Vietnam, the rural population accounts for 70% of the total population and the labour force distribution in agriculture is 53.1% (2010) (CIA World Factbook, 2011). According to Hoang (2010a), 93.6% of the poor in Vietnam live in rural areas compared with only 6.4% in urban areas. His findings also show that people who engage in agriculture are often 10 times poorer than those doing other jobs (90.9% compared to 9.1%). According to the National Census in 2009 in Vietnam, rural females accounted for more than 50% of the total rural population.

The facts show that Vietnamese rural women play an increasingly important role in both agricultural and rural community development. However, at the moment, the rate at which rural Vietnamese women involve in entrepreneurship is still very low. Particularly, 68% of the total female workforce now is working in agriculture field and this rate is increasing due to the fact that rural male workers switch to non-agricultural jobs. Furthermore, it is also reported that 92% of new agricultural workers are females (Hoang, 2010a). A question arouses on why rural women have not actively involved in entrepreneurship. There should be some barriers that prevent them from doing that such as their limited knowledge about entrepreneurship, their cultural features or financial support etc. This paper explores the reasons underlying.

Methodology

Based on a number of entrepreneurship conceptual models, this research project frames its scope at contextual analysis first. After extensive desk study on existing literature, comprehensive qualitative and quantitative ethnographic approaches are employed. Qualitative in-depth interviews and focus groups are conducted with 15 entrepreneurs and 15 non-entrepreneurs, aging from 28 to 50 years old. Quantitative survey questionnaires are conducted with 100 rural women and their partners to examine about the influence of demographic factors on women entrepreneurship in rural settings.

Results and Implications

The data from literature and initial analysis from twelve pilot qualitative interviews with both woman entrepreneurs and non-entrepreneurs shows that although entrepreneurship facilitators have been provided to rural areas, rural women in Vietnam are still oppressed and constrained by societal prejudices; financial limitations; and less entrepreneurship educational opportunities.

The implications for policy makers and social organizations are to launch and design more practical support policies and programs that better fit the rural settings so that rural women could involve more in entrepreneurship to improve their personal lives and community.

Key words

Rural, women entrepreneurship, Vietnam.

THE CONTEXT AND DESIGN OF ENTREPRENEURSHIP POLICY IMPLEMENTATION STRUCTURES - AN EXPLORATORY CASE STUDY

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Principal Topic

This study identifies and explores the design factors that distinguish the implementation structures of local entrepreneurship policy at the municipal level.

Entrepreneurship policy has for a couple of decades been considered a vital tool to enhance entrepreneurial activity through improved framework conditions (Hart 2003; Gilbert et al. 2004) and through a focus on the entrepreneurs' personal prerequisites for starting up and developing a business (Lundström & Stevenson 2005). There has been much focus on national policies; however research shows that across regions, start-up rates, entrepreneurial attitude and success rates differ (Fritsch and Schmude 2006). Acknowledging that entrepreneurial activity is locally anchored (Wagner & Sternberg 2004; Mueller 2006), it seems essential to take the focus of entrepreneurship policy research down to the local level.

According to Reynolds (1993), "Policy defines the purpose of agencies, stipulates much of the detail about their organization, provides authority and legitimacy, and makes them important – probably the most important – instruments of policy effectuation and evaluation". Reynolds includes in the purpose of policy, the organization of agencies. Much research has been done on both the initiative level (Gilbert et al. 2004) and the political level (Hart 2003) however the actual organization of the agencies and institutions implementing the policy has been left out. This is the focus of this study.

There are two streams of literature to turn to when investigating the organization of these types of entrepreneurship policy agencies, namely organizational theory and policy implementation theory.

Organizational theory, or more specifically contingency theory, provides us with the explanation as to why the organizational design is important. According to contingency theory, the better the fit between the organizational design and the surrounding environment, the better the organizational performance (Lawrence & Lorch 1967, Scott & Davis 2007, Drazin & Van De Ven 1985; Lawrence 1993). Organizational design scholars have identified different sets of design factors which apply to traditional bounded organizations. Examples of these are: Division into sections and units, Number of levels, Location of decision making authority, Distribution of and access to information (McClaskey 1974), or a more contemporary set of design factors, identified by Burton & Obel (2004): Configuration, Complexity, Formalization, Centralization, Incentives, and Coordination and control mechanisms.

On the other hand, in policy implementation studies, Hjern and Porter (1981) have identified what they call implementation structures. An implementation structure is "a structure of organizations, units and individuals working to implement the same political program". Implementation structures are thus structures across organizational borders, with no operational authority (O'Toole 2000).

Drawing on both contingency theory and policy implementation theory, this study investigates what the design factors of entrepreneurship policy implementation structures are. I argue that contingency theoretical mechanisms apply also to unbounded organizations such as implementation structures, and thus that a better fit between the local environment and the design of the implementation structure will enhance the output of entrepreneurship policy.

Method

The paper is based on a case study of 8 Danish municipalities. The municipalities have been chosen based on their differences both geographically and politically. They are a mix of urban and rural areas, and they experience different levels of entrepreneurial activity. Heterogeneity between the cases has been emphasized to extract as much different information and experience as possible. The unit of analysis has been the local entrepreneurship policy implementation structure, and key figures in the implementation structures have been interviewed – both at the political and operational level. The interviews were semi-structured to leave room for new discoveries and ideas, as the research is explorative in nature. Between one and three interviews have been conducted in each municipality (a total of 16 interviews). The interviews have been transcribed and coded according to the specific organizational properties of the local implementation structure. Finally, the generic design factors have been identified across the cases. The interviews are supplemented with publicly available information and documents such as policies, strategies and action plans.

Results and Implications

According to the preliminary interpretations of the empirical results, there are two main contributions of the study. First of all, when investigating the design parameters of entrepreneurship policy implementation structures it becomes clear that one of the major differences between the design parameters of traditional organizations and entrepreneurship policy implementation structures lies in the operationalization of the factors. Hence, the already established design factors from organizational theory are found to be applicable on implementation structures, however the operationalization is different.

Secondly, on top of the already established organizational design factors, the preliminary interpretations of the empirical results indicate that there are other design factors that are specific to implementation structures. These design factors capture the features that are specific to implementation structures.

The results of the study are relevant both at a theoretical and political level. At the theoretical level, the study contributes to entrepreneurship policy theory, through a better understanding of the mechanisms of entrepreneurship policy implementation structures. At the political level, the findings provide valuable insight into the design factors of entrepreneurship policy, and eventually provide decision makers with better knowledge on the implementation processes of local entrepreneurship policy programs.

ENTREPRENEURSHIP POLICY IMPLEMENTATION STRUCTURES - AN EXPLORATORY STUDY OF THE FORMATION PROCESS

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Principal Topic

This study investigates how entrepreneurship policy implementation structures are formed. Specifically, it investigates the extent to which they are bottom-up or top-down processes.

Entrepreneurship policy is an attempt to create and form environmental conditions that are beneficial to the entrepreneur (Hart, 1993). Entrepreneurship policy is moreover a mechanism to enhance the individual entrepreneur's prerequisites to start up a new venture (Lundström and Stevenson 2005). Much research on entrepreneurship policy has taken place at the national level, however acknowledging that there exists a relationship between entrepreneurial activity and space (Wagner and Sternberg, 2004; Mueller 2006; Fritsch and Schmude 2006), focus has been taken to a regional and local level. What is however missing in research on entrepreneurship policy is how local entrepreneurship policy is implemented and organized. Implementation studies first appeared in 1973 (Alexander, 1985), and many different implementation paths have been investigated: from the traditional linear model of policy making, implementation and execution, to more complex circular models where the different parts of the process are to a higher extent interdependent. The unit of analysis in the study is implementation structures. Implementation structures are systems across organizational boundaries, consisting of individuals, organizations and institutions working towards the same political program (Hjern and Porter 1981).

In the study, the following question is asked: How are entrepreneurship policy implementation structures created? Specifically, to which extent are they bottom-up or top-down processes? The study draws from the knowledge already gained in organizational theory. Although organizations and implementation structures are quite different, I argue that the mechanisms behind their design may be, if not similar, then at least comparable.

There are different approaches when investigating the creation process of implementation structures. The process may be viewed in a historical context, focusing on the initial creation of the implementation structure in an evolutionary sense. Another approach to the creation process, is that of organizational theory stating that the process is really a re-design process, and that very seldom, an organization is designed from scratch (Obel & Burton 2003).

Method

The paper is based on a case study of 8 Danish municipalities. The municipalities have been chosen based on their differences both geographically and politically. They are a mix of urban and rural areas, and they experience different levels of entrepreneurial activity. Heterogeneity between the cases has been emphasized to extract as much different information and experience as possible. The unit of analysis has been the local entrepreneurship policy implementation structure, and key figures in the implementation structures have been interviewed – both at the political and operational level. The interviews were semi-structured to leave room for new discoveries and ideas, as the research is explorative in nature. Between one and three interviews have been conducted in each municipality (a total of 16 interviews). The interviews have been transcribed and coded according to the specific organizational properties of the local implementation structure. Finally, the generic design factors have been identified across the cases. The interviews are supplemented with publicly available information and documents such as policies, strategies and action plans.

Results and Implications

The implementation structure creation processes is to a great extent a re-design process, as is the case in conventional organizational design theory. According to the preliminary results of the empirical investigation there are two main contributions of the study. First of all, a three-level framework to analyze the design process is proposed, and second of all, an investigation within that framework has been conducted, revealing that the creation processes look different across these three levels.

As stated above, there are three levels to the creation process of entrepreneurship policy implementation structures: 1) initiative – where does the initiative to create come from?, 2) the development process – how should the new structure look?, and 3) the decision – who makes the final decision to create or re-design? Implementation structures are complex to the extent that their creation process should be assessed across these levels.

The preliminary results of the empirical investigation indicate that across these three levels the creation mechanisms look quite different. On an overall basis implementation structures are not coordinated from a central actor, and therefore the creation or re-design process cannot be top-down. At both the initiative level and during the development process, the creation is to a great extent initiated and controlled in a bottom-up approach, whereas the decision to create or re-design can actually be classified as a top-down process. Central to the entrepreneurship policy implementation structures that has been investigated, is the local government who is the key source of finance in an entrepreneurship policy implementation structures. This positions the local government in a situation where they do actually often have the final say in a re-design process, and the decision part of the process can be characterized as top-down.

As already indicated, there are a number of top-down and bottom-up processes taking place at the different levels of the process. However, in the case of local entrepreneurship policy implementation structures, there are also outside-in processes where organizations and institutions from outside the jurisdiction of the municipality play a role in the process, across all three levels.

Understanding these processes is important, both theoretically and politically. At a theoretical level, the findings help researchers understand the processes behind implementation structure creation, and at the political level, this knowledge provides a basis for understanding and thus exploiting these processes.

CHALLENGES IN ACADEMIC ENTREPRENEURSHIP: THE STUDENT AS CO-ENTREPRENEUR

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Principal Topic

Norway is considered one of the richest countries in the world; rich on natural resources, a high GDP, nearly 70% labor participation, a highly educated work population and a high score on the United Nations development index. Despite the high economic performance, a Norwegian paradox is described, in which Norway is characterized by low innovation comparing to OECD countries (Grønning et al., 2006; OECD, 2007.) One possible reason for this may be that under such favorable conditions, there are few incentives to innovate through entrepreneurs. Thus the proposition has been that Norway has opportunity entrepreneurs, not necessity entrepreneurs (Kolvereid et al., 2010).

Correspondingly, there has been increasing attention of the potential of the universities as contributors to the knowledge based economy. University research is held as a source of significant innovation in generating knowledge, which diffuses to adjacent firms and entrepreneurs (Friedman and Silberman, 2003) and play a significant role in regional innovation. With more knowledge based industries, access to technology is becoming more crucial, which moves universities into a central position as they are good sources for new technology and scientific based inventions (Philcott et al, 2011). This has been termed academic entrepreneurship (Rothaermel, 2007), university based technology transfer (Markman, 2005) or university-industry spinouts/academic spin-offs (Djokovic and Soutaris, 2008; Muller, 2010). The traditional roles in academic entrepreneurship are usually the scientist who is the inventor of the idea in addition to a commercial partner. Research suggests that the relation between these two actors may take different constellations (Spilling, 2008). Further, Smith and Powell (2001) find that some scientists manifest disparate concerns and attitudes regarding research commercialization. This illustrates challenges as science and industry are based on different types of basic assumption: while science is reflective and long term based, industry is more action oriented and needs to see results within a short term. The role of the researcher may therefore be hard to merge with the role of the entrepreneurs.

One way of making opportunities for entrepreneurs in a knowledge society is through educating them to commercialize university based knowledge. This has been considered one means of making universities more entrepreneurial and thus, the role of entrepreneurial education as one means of academic entrepreneurship has increased its attention (Foss, 2011). One issue still not being put on the research agenda is actually how the entrepreneurial student may contribute to commercialization of research based ideas. The theme of this paper is therefore the role of the entrepreneurial student in academic entrepreneurship. The students although academically educated, are not rooted in academia and have their eyes directed towards business as their future work place. In addition, students may have the quality of an entrepreneurial change agent as they are not yet deeply embedded within any specific institutional setting. Therefore students may have an interesting role in the commercializing process of academic research.

But entrepreneurial students face challenges, as they as young scholars stand in between the academic culture and the work life awaiting their contribution to society. Which roles are awaiting them, as co – entrepreneurs taking the scientists' ideas to the market? Given the lack of knowledge of collaboration of the interface between university – industry in academic entrepreneurship (Foss, 2011) we ask in this paper: Which collaborative challenges do entrepreneurial students face in their attempts to commercialize university based ideas?

Commercialising research based ideas involves many actors, making academic entrepreneurship a suitable field to explore the discourse of collaboration as it includes creating new knowledge through interaction amongst actors within different institutional affiliation. Djokovic and Soutaris (2008) suggest that research on academic entrepreneurship needs to explore the interaction between networks and other potential determinants of spinouts' structure and performance, such as personal values and behaviour of the academic entrepreneurs. Our framework builds on that academic

entrepreneurship through entrepreneurial students involve relations between the following set of actors: the university, the inventor, the industry and the intermediaries. and that challenges deal with how to relate to those various actors in order to commercialize university research.

Method

In this paper an exploratory case study methodology is applied where interviews and observations are central. We compare two student based academic entrepreneurship projects within the master of science in business creation and entrepreneurship (BCE) at the University of Tromsø. The program provides students with thorough knowledge regarding theoretical aspects of business operations (protection of knowledge, law, economics and marketing) while simultaneously working with real business ideas derived from the scientific research environment at the University and its surroundings.

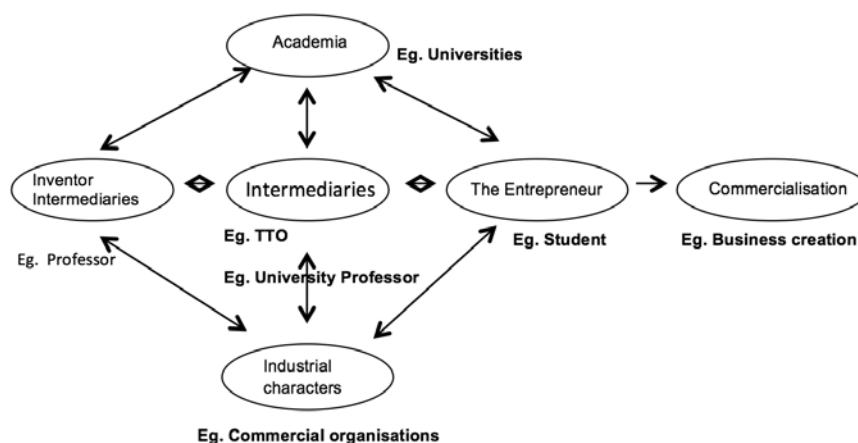
Three BCE cohorts have been admitted since 2008, commercializing four scientific technologies. Two start-up companies have been established on the bases of the students' master thesis. Further, the entrepreneurial education provided during this course has enabled one student to set up an additional company with a more consumer oriented approach.

In the cases discussed in this paper, there were different experiences: In the first project, students successfully cooperated with the inventor in order to commercialise the product. In the second project, the relationship with the inventor was more challenged. Following these two cases, we therefore may gain insight of factors that stimulates or hinders successful collaboration.

Results and Implications

This research will aid in a better understanding of the challenges and benefits of using students in commercialising academic knowledgebased inventions. Further, this study will enhance the knowledge of the relationship between the important actors in the commercializing process and contribute to the understanding of entrepreneurial universities.

Figure 1: Collaboration between various actors in commercializing university based research



RESOURCE-BASED DECISION MAKING IN WOMEN-OWNED ENTREPRENEURIAL FIRMS

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Principal Topic

A firm's resource endowment plays a critical role in its ability to survive and grow (Penrose, 1959; Barney, 1996). The resource-based approach (RBV) views firms as unique bundles of resources; resource stocks, both tangible and intangible; and capabilities that develop over time (Penrose, 1959). Although the RBV was developed and consistently theoretically extended and empirically tested in large corporations (Barney, 1986; Wernerfelt, 1984; Barney, 1991; Conner, 1991), we are interested in small, growing firms that start with a small bundle of resources and skills, but face an environment of scarcity and the constraints of limited resources, particularly capital. Brown and Kirchoff (1997) contend that "the lack of access to or availability of resources can be seen as perhaps the most important constraint of firm-level entrepreneurial activity, e.g., growth and survival (e.g., Bruno & Tyebjee, 1982; Kirchoff, 1994; Penrose, 1959; Vesper, 1980)."

The presumption is that firms with inadequate resources cannot compete well against more endowed competitors or those that face a more munificent environment (Casatrogiovanni, 1991). Like Penrose (1955), though, we are not concerned here so much with external factors that affect firm growth, but the decision making processes and practices used by entrepreneurs (not managers) that affect firm growth and survival. Research shows that firms led by women entrepreneurs (WEs) have less available capital and other resources than firms started by men entrepreneurs (Minniti, 2010). Yet, women-owned firms seem to overcome the limitations of resource constraints to grow. While the literature tends to emphasize that women-owned firms do not grow enough, there is a dearth of research on how successful female entrepreneurs do achieve growth (e.g., de Bruin, Brush, & Welter, 2006).

In considering the resource constraints that WEs face, we are interested in how these entrepreneurs achieve the growth of their firms. The answer to this question will make a significant contribution to the literature on women's entrepreneurship and the literature on how entrepreneurs operate in environments characterized by constraints. We posit that WEs must find creative ways to use the resources they have available in order to survive and grow (see Gibbert & Valikangas, 2004; Valikangas & Gibbert, 2005; Gibbert, Hoegl, & Valikangas, 2007; Hoegl, Gibbert, & Mazursky, 2008; Gibbert & Scranton, 2009; Hoegl, Weiss, Gibbert & Valikangas, 2009a, 2009b; Hoegl, Weiss, & Gibbert, 2010, on resource constraints).

Method

We propose to obtain data from WEs who attend or have attended the WISE (Women Igniting the Spirit of Entrepreneurship) Conference held annually at Syracuse University by the Entrepreneurship & Emerging Enterprises Division of the Whitman School of Management. Approximately 1100 WEs attend the annual conference with a database of over 3000 contacts from prior conferences.

We will examine how WEs use the resources they have at their disposal to grow their companies, although those resources may ostensibly be inadequate to accomplish the growth that these women achieve. We will collect a variety of data on these entrepreneurs, including personal attributes and business characteristics. Our dependent variable will be the actual growth of the firms of these WEs and our independent variable will be the methods or techniques they used to achieve growth in the face of resource constraints, including creativity, bricolage, and ingenuity (Gibbert & colleagues; Baker & Nelson, 2005; Baker, Miner, & Eesely, 2003; Duymedjian & Ruling, 2010; Flanagan, 1963; Homer-Dixon, 1995; James, 1978; Strauss, 1966; Ogilvie, 1994, 1996; Senyard et al., 2011; Young, 2011). We will analyze the data using factor and regression analyses.

Results and Implications

Women's entrepreneurial firms face a dearth of resources, not just financial, but experiential and material resources as well. Women entrepreneurs must make important strategic decisions in these circumstances. They can decide to take the path of least resistance and give up or they can creatively and cleverly combine, recombine, and create resources that help them achieve the outcomes that allow them to survive and grow. Often, in the process, they end up creating entirely new businesses than they started out with (Baker & Nelson, 2005). It is the ingenuity of such entrepreneurs that creates innovations despite or because of the constraints they face and that fuels the economic progress of society. Constraints, even bleak environments, can serve a positive purpose for motivated entrepreneurs.

The benefits for entrepreneurs who face resource-constrained environments are clear. Their best course of action is to exercise resource-based decision making to creatively assess what they can create or use in their environment to achieve their goals for growth and financial returns. This means they have to think differently not only about what is at hand (effectuation) but also about how those resources might be repurposed (bricolage) or used in clever ways (ingenuity) to suit their entrepreneurial intentions. For some entrepreneurs, this may occur more naturally, but all entrepreneurs can develop their ingenuity and bricolage skills and capabilities.

For researchers, future work should examine how both women and men entrepreneurs can better create and exploit opportunities in environments characterized by scarcity. To what extent can entrepreneurs enhance their ingenuity? Are certain techniques more advantageous in certain environments or in dealing with certain scarce resources than others are? How do entrepreneurs' capabilities for bricolage and ingenuity evolve over time? Are there other types of creative decision making that can provide benefits to entrepreneurs? The answers to these and other questions that will arise can help researchers to better understand the resource conditions under which small entrepreneurial firms achieve growth, increased performance, and survival.

THE INFLUENCE OF HUMAN AND SOCIAL CAPITAL IN DEFINING THE PROSPECTS OF THE YOUNG FEMALE ENTREPRENEUR

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Principal Topic

Human and social capital plays an important role in defining the prospects of aspirant entrepreneurs, supporting them through business start-up and beyond.

Human capital refers both to general socio-demographic characteristics such as age, gender, marital status, and intellectual capital derived from investments in education, training, prior work/managerial experience (Madsen et al, 2003). Individuals with higher quality or greater levels of human capital are believed to be better empowered to recognise and exploit opportunities, and more likely to have access to skills, abilities and financial resources to support business start-up (Mueller, 2006; Anderson and Miller, 2003; Davidsson and Honig, 2003).

Similarly, social capital, defined as connections, relationships and goodwill between the entrepreneur such as those located within their social structures (Timberland, 2005; Audrestsch and Keilbach, 2004; Adler and Kwon, 2002), is believed to make vital contributions to entrepreneurship, boosting confidence in overcoming barriers arising from deficits in financial, human and cultural capital (Welter et al, 2004).

The experience of entrepreneurs, regardless of age or gender, is affected by an ability to mobilize human and social capital (Marlow and Carter, 2004). However, such resources are perhaps particularly important for those under-represented within entrepreneurship, including women and young people. Extant literature suggests that due to personal circumstances, fragmented employment histories and the cultural context in which their businesses operate, many female entrepreneurs enter self-employment under-resourced in terms of human and social capital (Carter and Shaw, 2006), making it more difficult for them to consider start-up and, once trading, to develop and grow their businesses.

As a specific cohort, young women are the largest under-represented constituency within entrepreneurship. As with their older female counterparts, literature suggests their entrepreneurial experiences are affected by deficits in human and social capital and compounded by factors arising from their limited life and work experience: age discrimination, low levels of knowledge/prior experience, restricted access to business networks and contacts, and lack of encouragement from important career influencers (Heilbrunn, 2004; Tam, 2000).

The aim of the research reported in this paper therefore is to explore how deficits in human and social capital encountered by a sample of young female entrepreneurs in Northern Ireland impacts on their entrepreneurial prospects.

Method

The study was centred on an opportunity to discover new insights into the individual experiences of 18 young female entrepreneurs who collectively have created 16 new ventures, taking into consideration their thoughts and feelings about barriers to their entrepreneurial ambitions. Given the exploratory and sensitive nature of the research, a qualitative methodology using semi-structured, in-depth interviews was adopted. Interviewees comprised a convenience sample of female clients of the enterprise agency Shell LiveWIRE, a UK wide agency offering information, advice and support to 16-30 year olds starting or running their own business.

Interviews, which were recorded and transcribed verbatim, were conducted in a two-stage process over an 18-month period. Both first and second stage interviews generated a wealth of detailed information. Inductive analysis of key issues emerging from the analysis of stage one interviews, which focused on barriers encountered at start-up arising from deficits in human and social capital, identified a number of areas requiring further consideration. Stage two constituted seven qualitative interviews with a self-selected sample of stage one interviewees, facilitating deeper investigation by building on earlier insights and examining the longitudinal impact on young female entrepreneurs arising from deficits in human and social capital.

Results and Implications

Analysis reveals that specific elements of human and social capital had a lasting impact on interviewees. For instance, socio-demographic elements of human capital – age and gender – had a lasting impact on many interviewees, with discrimination arising from both characteristics directly influencing all aspects of the interviewees' entrepreneurial experience. With regard to social capital, most interviewees experienced ongoing difficulties arising from work/life balance and family support issues. Lack of support from those within the interviewees' 'weak ties' – formal networks, mentors and enterprise agencies – were cited as initial and continuing barriers. The absence of a network for young entrepreneurs, regardless of gender, in particular had an ongoing detrimental impact on their personal and professional ambitions, particularly given negative experiences within 'strong ties' and women's business networks. However, interviewees felt barriers arising from their intellectual human capital – educational background or prior work experience – ceased to be of importance once they moved beyond start-up, with most believing that relative longevity in business meant the skills and knowledge they accumulated whilst running their business took precedence over shortfalls that may have originally existed from their education or prior employment.

The study provides valuable theoretical insights, closing a knowledge gap by identifying the impact of barriers arising from deficits in human and social capital on young women who are under-represented in academic literature. The research also had practical implications for those charged with fostering and stimulating entrepreneurship. Constraints arising from deficits in human and social capital are believed to define the prospects of young female entrepreneurs and have a long-term effect on business performance (Carter et al, 2001). Given the belief that the removal of barriers may foster more and better entrepreneurship than any incentives (Sarasvathy, 2004) and is key to progression (Marlow and Carter, 2004), findings arising from this study may encourage future generations of young women to engage in entrepreneurial new venturing and help improve the longevity of their businesses.

DO GENDER-RELATED DIFFERENCES EXIST IN SPANISH ENTREPRENEURIAL ACTIVITY?

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Main topic and aim of the research

Female entrepreneurial activity is associated with changes in demography, qualifications of human capital and employment demand. Due to the globalization process, all these changes lead to a gain in competitive talent. The increasing presence of women in this respect enhances economic dynamism (Coughlin and Thomas, 2002).

Since the pioneer work of Eleanor Schwartz (1976) on the influence of gender on entrepreneurial activity, the research on this topic has focused on the behaviour of women who have undertaken a venture, as well as on the differences between male and female entrepreneurs. This wide literature has focused mainly in five subjects of study: personal features and motivations; strategic choice; leadership; obstacles and financing standards; as well as performance and results of the activity. Nevertheless, these subjects are often closely related.

The purpose of this research is, therefore, to analyse the differences in entrepreneurial activity between women and men taking into consideration three study areas: personal features; reasons for becoming an entrepreneur, and the results of the activity. The Spanish case will be compared with other countries contingent to the international information available (see, for instance, Brush and Hisrich, 1991; Tigges and Green, 1994; Loscocco et al., 1991; Clark and James 1992; Verheul et al., 2008, among others). This will provide the analysis with some useful considerations and suggestions for entrepreneurial activities and gender-oriented policies.

Methodology

Two methods of analysis will be followed: a) a survey among Spanish entrepreneurs and b) a set of logit estimations based on the information gathered from the survey, paying special attention to gender discrimination results.

We have used for this purpose the SABI database, which covers the majority of Spanish enterprises (AMADEUS will be the European counterpart), and that includes accounting statements for those companies registered in commercial registries. More specifically, we have used the February 2010 version, including 1,212,820 enterprises, and extracted two statistically significant samples.

The first sample is made up of 357 randomly chosen entrepreneurs, ensuring that their companies are statistically representative of the Spanish business fabric. This sample includes 78 women, representing 21.8 percent of the total. The second sample comprises another 251 randomly chosen entrepreneurs among the female managed companies. In this second sample activities traditionally considered to be female have a greater weight (Buttner, 1993; Coleman and Robb, 2009): 92.0 percent are women and a significant eight percent are men. Either due to subsequent changes in management, or because of standard errors, the number of women in this sample does not amount to 100 percent. However, this apparently shortcoming will allow to estimate some variables explaining the behaviour of women for this time period. Both samples are aggregated to form a third sample of 608 entrepreneurs (357+251), 309 out of which were women, i.e. 50.82 percent of the total.

The survey identifies 90 items or study variables, on which a descriptive analysis is performed; and general conclusions were drawn. A step forward is avoid the problem of the lack of levels of freedom, controlling for the possible interrelations among the different variables through an econometric study. In order to identify the differences by gender, a logit estimations methodology was applied, something that allowed to discriminate the effect of the variables analysed related to gender. Altogether, 9 estimations were performed for each of the three samples: personal features, professional profiles, motivations, characteristics of the enterprise when created, obstacles, characteristics of the enterprise currently, assessment of public policies, reasons for success, and bases of entrepreneurial survival.

Results and Implications

Male and female profiles differ in terms of age, qualifications, commitment to household chores, family support at the beginning of the activity, and motivations. The research demonstrates the coexistence within the Spanish economy of two different groups of entrepreneurial women with quite different features, partially included in the samples used in the analysis. The first group comprises a generation of new highly-qualified women whose enterprises show a sectoral distribution quite similar to that of the Spanish productive fabric as a whole, although with a somewhat higher presence in services activities. The second one is mainly that of low-qualified entrepreneurial women devoted to services, particularly personal services and retail trade. This differentiation of the female entrepreneurs into two groups is partially new in literature and can contribute to further explain the wide variety of results observed in related studies.

Finally, the present work develops some ideas and suggestions in the field of gender policies: a) the activity of entrepreneurial women is still a niche insufficiently used in terms of economy and policies, b) the higher tendency of entrepreneurial women to hire other women in their workforce – and maybe other groups with high unemployment rates – would partially favor the elimination of obstacles in the Spanish labor market, as well as its integration into society, c) the different personal features, motivations and management styles found among female entrepreneurs, notably their compromise with product and services innovation, opens the way for developing new policies aimed at introducing innovations and technological improvements in the productive and social fabric. Nevertheless, this analysis also implies that the support programs should be highly specific, in order to incite new entrepreneurial initiatives, and not only reveal the importance of the gender phenomenon, as has unfortunately been the case in the United Kingdom (Carter and Shaw, 2006) and other advanced countries.

CAREER MOTIVATORS: “GIRLS JUST WANT TO HAVE FUN”

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Principal Topic

Changing demographics in the Australian workplace presents challenges for all to address issues related to gender, age and culture. Despite increased participation of women in the workforce, representation at senior levels in businesses of all sizes is an issue that is gaining increased attention, particularly with the impending threat of quota systems. However, it is not only women's representation at the highest levels providing cause for concern. Despite new theoretical models to explain how the careers of women differ from those of men (e.g., Sullivan & Mainiero, 2007), there is a dearth of empirical evidence to present the career experiences of women and the drivers that underpin their participation in business. The purpose of this paper is to explore such motivation in a sample of women who operate at the senior level either managers within large firms or owners of small businesses in Australia. Two key issues are addressed: the career related drivers for women – also as compared to men, and the connections between these motives and the innovation outcomes of the business.

Independence from traditional career arrangements is a hallmark of contemporary working arrangements in an era marked by changing career scripts for individuals and for firms (Arthur & Rousseau, 1996). The changes in organisational structures were considered to be beneficial for women in the age of boundaryless careers (Sullivan 1999). While men and women are expected to assume greater personal responsibility for their careers within the new manifesto, the different way they enact their careers results in different outcomes (Powell & Maniero, 1992). Our review of the extant literature highlights these differences and provides a context for the study.

A key issue is that of work-life balance. The bulk of responsibility for managing the work-family interface is undertaken by women, and changes over the time span of a woman's career. Women's changing priorities over time present issues of challenge, balance and authenticity at different career points (Sullivan & Mainiero, 2007). However, these priorities relate to more than time. Career meaning is derived from different sources and empirical evidence demonstrates that women experience frustration at 'glass ceiling' barriers to progress, shun pay inequalities and seek flexibility to manage their lives (Vinnicombe & Bank (2003). Leveraging past corporate experience has provided a lever for many women to adopt an entrepreneurial approach to start-up firms that meet their needs (e.g., Terjesen, 2005). Others choose to work part-time or as our study shows, adopt different approaches to leverage their capability and innovate within established businesses.

Our paper therefore contributes to the literature on women in business by linking career motives, gender and innovation in established firms. It provides support for the limited literature on the lived experience of women as they draw personal career satisfaction and simultaneously contribute to Australian business growth.

Method

This paper uses data from the Australian Innovation Survey conducted during the first half of 2011. Surveys were mailed to 28 300 Australian firms of all sizes. A stratified sampling strategy was used to ensure representativeness across firm sizes, industries and states. Reminders were sent by fax to all non-responding firms and a second reminder by phone to firms in strata that were under-presented. The longer than usual data collection period was to accommodate a number of natural disasters that occurred in Australia during this period. The response rate was 7.5 per cent with a total of 2107 responses. Several tests for reliability and validity were ran and are described in the full paper.

The survey instrument included questions about the owner/manager as well as organisational demographics, practices and performance. For the purpose of this paper, responses to questions about the gender, age and tenure of the owner/manager, the motives for involvement in the business, and organisational innovation were analysed using chi-square tests of differences, Spearman's correlations and logistic regression.

Results and Implications

The results show that females were more likely to be involved in business to learn and grow personally, have fun, create something new and distinctive, seek a lasting legacy, and have the freedom to set and pursue personal objectives. Males were more likely to focus on improved wealth, a contribution to the well-being of stakeholders, and maximizing returns. These results have implications for engendering engagement, a key factor in workforce retention, and in term the bottom line.

We also investigated the relationship between gender, business motives and innovation. Two innovation variables were used, namely the breadth (number) of innovations introduced during the last three years, as well as whether a firm was an innovator or not; based on the introduction of any innovation during the preceding three years. Both variables displayed similar associations. For example, females were more likely to own/manage firms that introduced innovation or had a greater innovation breadth. Innovation was also broadly associated with most business involvement motives, although, interestingly, it was not associated with wealth maximization.

An important implication of these results is that paying more attention to attraction, retention and support of women and explicitly valuing their personal career outcomes, may allow firms to retain the innovation that contributes to business growth in Australia, rather than losing valuable human capital when women feel compelled to seek alternative employment arrangements to meet their needs. Promotion of flexible policies and practices in the workplace for all employees, may achieve positive outcomes for all individuals and the organizations in which they work.

UNIVERSITY-BASED ENTREPRENEURSHIP TEACHING ACTIVITIES: DEVELOPING A TYPOLOGY OF HOW TO COMBINE RESEARCH AND PRACTICE IN TEACHING

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Principal Topic

Teaching research based entrepreneurship is influenced by two major approaches: a research-oriented and a practice-oriented.

A number of researchers have contributed to the development of entrepreneurship as a research field from various research areas (Lundström 2005) and some researchers have proposed to define entrepreneurship as an independent research field (e.g. Gartner 1988, 1993; Venkataraman 1997; Shane and Venkataraman 2000). Teaching research based entrepreneurship has to take into account entrepreneurship as a research field.

Entrepreneurship is also heavily influenced by practice. Drucker (1985) argue that *"entrepreneurship is neither a science nor an art. It is practice. ...what constitutes knowledge in practice is largely defined by the ends, that is by practice"* (Drucker, 1985:vii-viii). Drucker argues that his book is concerned with the practice of both innovation and entrepreneurship though it is not a how-to book. Rather he views the practice as dealing with what, when and why.

A review of the existing literature of entrepreneurship teaching shows that several researchers have investigated the importance of practice. Practice and an understanding of practice (and theory) play an important role for researchers in entrepreneurship teaching. Johannisson explains the challenge in combining theory and practice, by the concept of 'practice theory', in the following way: "Practice theory sounds like an impossible combination, since practice is associated with coping with the local, the situated, specific, concrete and detailed, where words have to become deeds as soon as they are spoken. Theory as representational knowledge, in contrast, is ideally supposed to be global or universal, "above" the specific, abstract and generic." (Johannisson 2011:137).

Neck and Greene (2011) talk about academic fields and practice fields of entrepreneurship. They distinguish between four approaches to entrepreneurship teaching: teaching the entrepreneurial world (entrepreneur traits), teaching the process (typically the process of writing a business plan), teaching the cognitive world (how do entrepreneurs think) and then they propose a new approach they label entrepreneurship as a method. Neck and Greene contrast teaching as a process with teaching as a method:

"Teaching entrepreneurship as a method requires going beyond understanding, knowing, and talking; it requires using, applying, and acting. Entrepreneurship requires practice." (Neck and Greene 2011:61).

To sum up: theory and practice are two major factors in teaching entrepreneurship. Schön (1996) argues that many professionals experience a dilemma between rigor and relevance. The existing literature tends to divide this research-practice gap into two separate gaps and deal with them in isolation: One gap between research and teaching, focusing on how to bring research-based knowledge into the classroom and one gap between teaching and practice, focusing on developing informed and thoughtful managers. Instead of treating this issue as two separate debates this paper suggests to see it as one debate in interpreting research-based teaching as making students knowledge producers themselves through working with and like researchers. We will do this by making use of a model developed by Piihl and Philipsen (2011). The model consists of two dimensions. One dimension is a distinction between mode 1 and mode 2 knowledge (Gibbons et al. 1994). The other dimension is a distinction between scientific knowledge area within a university and the graduates' behaviour in a context-of-application. By explicating different relationships between scientific knowledge areas and graduates' professional behaviour Piihl and Philipsen identify two types of logic behind the relationship between theory and practice: mode 1 and mode 2 theory-of-application. The authors' claim both types of knowledge has to be present in the university contrary to Schön (1996). These two types of logics will be used in this paper.

The aim of the paper is to test a theory of practice, based on the two logics behind theory and practice described by Piihl and Philipsen (2011). Furthermore, the aim is to investigate specific entrepreneurship courses to investigate the balance between the two logics used in specific courses to understand the underlying view on practice.

Method

We will make use of existing descriptions of some well known entrepreneurship courses (e.g. from Babson and MIT) from Kirketerp (2010). Furthermore some other entrepreneurship courses (based on existing descriptions) are also analyzed.

Results and Implications

With the emphasis put on both theory and practice in the research-based courses of entrepreneurship it seem important to both investigate and reflect on the relationship between theory and practice in a structured way. The investigation may reveal some new insight on understanding the balance and relationship between theory and practice in research based entrepreneurship courses.

THE ROLE OF HUMAN CAPITAL AND OPPORTUNITY COSTS IN GRADUATES' SELF-EMPLOYMENT DECISIONS

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Principal Topic

A large body of entrepreneurship literature embraces human capital theory to explain the differences between people and their entrepreneurial behaviors. Indeed, prior research has indicated that human capital constitutes an essential factor influencing individuals' entrepreneurial ability and performance (Gimeno et al., 1997; Sexton & Bowman, 1985; Unger et al., 2009). Nevertheless, scholars have reported that the relevance of human capital is underutilized when studying the process of new venture creation (Schenkel et al., 2009). Despite an increasing body of research on academic entrepreneurship education, which mainly focuses on entrepreneurial intentions (Fayolle et al., 2006; Kolvereid, 1996; Souitaris et al., 2007; Tkachev & Kolvereid, 1999; Graevenitz et al., 2010), little is known about which graduates actually opt for self-employment after having finished their studies. This study's objective is to address this research gap by analyzing the relationship between graduates' human capital endowments and the decision to enter self-employment.

According to Shane (2003), the most prominent non-psychological factors influencing the probability of exploiting an entrepreneurial opportunity are related to human capital. In general, individuals with higher levels of human capital are considered to be more effective in developing and executing a plan to exploit an opportunity and are thus more likely to engage in entrepreneurial activities (Shane, 2003). Strong evidence has been found for the positive relationship between educational attainment and the likelihood of entering self-employment (Bates, 1995; Delmar & Davidsson, 2000; Reynolds, 1997). Furthermore, higher levels of education were reported to be positively associated with new venture size (Cooper et al., 1989), venture survival (Bates, 1990; Brüderl & Preisendörfer, 1998), venture growth (Cooper et al., 1994), and performance (Gimeno et al., 1997). Overall, these findings point in the same direction suggesting a linear positive relationship between human capital and the likelihood of entering self-employment: higher human capital endowments are assumed to increase the expected venture outcomes and consequently the likelihood of entering self-employment.

On the other hand, human capital is also highly valued by the labor market. Therefore, high levels are assumed to have also a strong impact on individuals' labor market opportunities, thereby raising their opportunity costs of entrepreneurial activity. This consideration suggests a negative relationship between human capital and the likelihood to enter self-employment. However, opportunity cost effects only occur for those dimensions of human capital which actually increase the labor market opportunities. Becker's (1993) classification of human capital into human capital investments (i.e. education and experience) and the outcomes of human capital investments (knowledge and skills) provides a useful distinction with regard to human capital's observability on the labor market. Graduates' levels of education and experience are highly observable and comparable (e.g., in form of degrees, certificates, references, etc.), whereas the actual levels of knowledge and skills are often uncertain and hard to observe. For this reason, investments in human capital are assumed to have a strong impact on graduates' labor market opportunities and thus on their entrepreneurial opportunity costs. In turn, the outcomes of human capital investments are hardly observable and are therefore assumed to have little or no effect on entrepreneurial opportunity costs. However, higher levels of knowledge and skills are assumed to raise graduates' self-assessments of their entrepreneurial ability and therefore favor the decision to become self-employed.

Method

The sample comprised data from the "Bayerisches Absolventenpanel" (German for "Bavarian Graduate Panel"; abbr. "BAP") on 11 217 university graduates from Germany. The BAP study provides information on education and experience (human capital investments) and also measures graduates' knowledge and skills (outcomes of human capital investments). Studying the entrepreneurial activities of graduates has an important advantage: human capital is strongly influenced by graduates' formal education and the formal education system is, in turn, receptive to innovations in teaching and to policy (Gradstein & Justman, 2000).

To test the hypotheses logistic regression and generalized additive logistic regression models (GAM) are utilized.

Results and Implications

The literature has positively associated education and experience – the most commonly used measures of human capital – with new venture success, size, survival, growth, and, most importantly, with the likelihood to enter self-employment. In contrast, our results reveal curvilinear relationships (inverted u-shape) between human capital investments and graduates' likelihood to engage in entrepreneurial activity. In line with prior results, our study confirms the importance of knowledge and skills for entrepreneurial activity.

Increasing levels of education and experience are found to initially raise the probability to become self-employed until a certain threshold level is reached. After this tipping point, the probability decreases due to graduates' higher (entrepreneurial) opportunity costs. Hence, graduates with either (very) good or (very) poor education and experience levels have a lower probability to opt for entrepreneurship. Moreover, the optimal level of education is found to be below the mean value. This implies that the "negative effect" of human capital on the self-employment decision caused by increasing (entrepreneurial) opportunity costs sets in at a relatively low level, i.e. below the average value of education.

In sum, this study advances entrepreneurship theory by providing empirical evidence on how different levels and dimensions of human capital affect graduates' probability to engage in entrepreneurial activity. The finding that high potential graduates, who have the highest levels of education and experience, have a lower probability to opt for self-employment is quite unfavorable for success prospects and the innovativeness of new ventures. This provides several implications for policy and for (entrepreneurship) education in particular.

NURTURE OR NATURE: INTERPLAY BETWEEN THE INDIVIDUAL AND THE INSTITUTION WITHIN THE COMMERCIALISATION PRACTICES OF AUSTRALIAN UNIVERSITIES

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Context of the Study

Universities play a key role in the national innovation system as generators and disseminators of intellectual property (IP) (Porter and Stern 2001; Lundvall 2007). Through technology transfer and spin-outs the modern university has now embraced commercialisation as one of its core functions (Raizel 2004). Australia's 38 universities have become active players in the globally competitive field of commercialisation (Harman and Harman 2004). While the research performance of Australia's higher education institutions over the past decade has been good their performance in commercialisation has been mixed (Ville 2006).

To facilitate the commercialisation of academic knowledge many universities have established technology transfer offices or commercial units, which are administered by the university's central administration, while some have set up companies. This is a pattern similar to that found around the world (Lockett, Wright and Franklin 2003). However, a successful process of taking discoveries into the market has not yet emerged smoothly in most Australian Universities. The limitation is considered to be mostly due to the universities lack of an effective commercial process (Siegel, Waldman, Atwater and Link 2004).

An important element in the successful commercialisation of university generated IP is the academic researcher and their ability to engage in an entrepreneurial process (Pilegaard, Moroz and Neergaard 2010). The role played by university academics within modern, highly commercial universities has emerged as a significant point of debate over recent decades (Slaughter and Rhoades 1997; 2004). This paper examines the nature of academic entrepreneurship and the interplay between the individual researcher and the institution in which they work. Although there has been a growing body of research into technology entrepreneurship (Gans and Stern 2003), there is a gap in the literature relating to academic entrepreneurship.

A unified understanding of this area for the individuals and the institutions is imperative for the development of the country and a profound shift from a "managerial" to an "entrepreneurial" economy is needed (Drucker 1986). Having a sound innovation strategy is critical for the universities. Innovation strategy is generally understood to describe an organisation's innovation posture with regard to its competitive environment in terms of its new product and market development plans. The understanding and motivation of academics and the nurturing environment created by their institutions are discussed. Particular interest is the way in which university designs the support for commercial activities.

Method

A series of in-depth case studies were undertaken of seven academics within different Australian universities. All were engaged in the commercialisation of an emerging technology within the nanotechnology sector. The principles of case study design and method were followed (Yin 2003). Data collection involved both macro and micro level analysis of interviews and direct observation with research directors, academics and managers of commercialisation offices from these universities. A conceptual framework relating to the commercialisation pathway defined by Techno-Economic Network Theory (Laredo and Mustar 1996) was used to guide the analysis. Also employed was the conceptual framework of innovation measurement within organisations proposed by Adams, Bessant and Phelps (2006). Although these frameworks focus on the measurement of innovation management at the level of the firm, they can also be exploited for the university innovation and commercialization process.

Results and Implications

The most important finding in this research is that any structure created for technological transfer at the university is a support for and not an impediment to the process. The university research community plays an important role in industry research and development activities leading to new products. Further, business is the gateway through which all new products enter the marketplace.

As the study suggests effective university researchers are those who engage business partners prior to the inception of their own research activities, and early in the corporate product development cycle. It is therefore vital that university and other stakeholders are clear as to the university's objectives in relation to knowledge transfer, motivations and benefits. A clear model (structure and approach) for commercialization at the university needs to be found.

Senior management are responsible for developing and communicating a vision for innovation and commercialisation. They need to be supportive and to adopt an attitude that is tolerant to change and can champion the notion of innovation within the university. Entrepreneurship is more likely to occur if the institution is less hierarchical, since bureaucracy reduces creative activity. Communication enhances invention because much of people's inventive activity requires input from others. In hierarchical organisations, there is less communication between superiors and subordinates than in non-hierarchical ones.

Innovation and entrepreneurship requires decentralized authority because such a structure brings more information to the attention of the senior managers and gives employees greater incentive; and hierarchical institutions tend to have more centralized authority. Hierarchical organisations tend to have control systems based less on trust, and more on rules and procedures, and these controls inhibit creativity and inventiveness.

Inventiveness is hard work and requires a strong work ethic, and hierarchical organisations are more fatalistic and less inclined to undertake the hard work necessary for innovation. The institutions that value freedom of the individual to create are more effective in their productivity. Entrepreneurship requires an outward-looking view. These findings and their implications for policy and practice are discussed along with directions for future research.

GENDER OF OWNERSHIP AND THE GROWTH PERFORMANCE OF SMALL- AND MEDIUM-SIZED ENTERPRISES

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Principal Topic

The objective of this study is to examine the influence of gender of ownership on the growth performance of young small- and medium-sized enterprises (SMEs). While previous research has investigated gender impacts with respect to size (sales revenues, employment), efficiency, profitability, etc. (Ahl, 2004; Watson, 2002), there is little research on the dimension of growth performance (Shepherd and Wiklund, 2009).

The study contributes to current knowledge in two ways. First, the work employs longitudinal data. The work considers firms that were founded between 2000 and 2004 whose owners responded to a large-scale representative national survey during late 2004 and early 2005. Growth performance was then traced by linking the 2004 survey responses to taxation records for the firms over the subsequent 2004-2008 period. Second, the work employs multiple measures of growth performance, measures that are then related statistically to baseline owner and firm attributes, including gender composition of firm ownership, controlling for other plausible determinants of growth performance. These data constitute a unique and robust profile of business development among young firms.

The work is also situated in a discussion of liberal and social feminist theories. Liberal feminism suggests that, other things being equal, men and women should perform equally well whereas social feminism posits inherent differences. Rationales for anticipated differences across each of the growth performance measures are advanced.

Method

To explore empirically the associations between ownership gender and growth performance, the work employs a large-scale survey of Canadian businesses owners. The sample is drawn randomly from the national registry of businesses with revenues in excess of \$30,000. This work focuses on the 2,915 firms within the sample that had been started between 2000 and 2004 (the five-year period preceding administration of the survey). The analysis compares, across gender composition of ownership, changes in revenues, net profits, employment and salary mass. By employing a vector of four measures of firm growth, the work addresses the concerns raised by Shepherd and Wiklund (2009) who describe single measures of growth as having limited explanatory power and who question the concurrent validity of alternative approaches. The work also controls for salient factors known to influence business development, including initial size of firm, age of firm, sector, owner age and experience, owners' growth intentions as articulated in 1994 and the firms' financing needs.

The analytical methodology relied primarily on the SAS robust regression procedure, an approach that attenuates the effects of outliers in the data. Results were confirmed by MANCOVA.

Results and Implications

The findings show that owner experience and owners' growth intentions were statistically significant predictors of growth. Regardless of whether growth was measured by the change in revenues, profits, employment or salary mass, growth intentions and experience were positively correlated with future growth. Likewise, exporter firms and firms that had sought financing during 2004 also grew relatively more, according to all measures and to a statistically significant extent. Conversely, neither age of firm nor sector was a statistically significant determinant of growth.

In terms of the gender dimension:

- the average change in annual revenues over the 2004 to 2008 interim was an increase of approximately \$129,000 (CDN). After controlling for other salient factors, revenues of majority women-owned firms did not increase by as much: the average revenue growth of firms that were majority women-owned was approximately \$89,000 (CDN)—a difference that is statistically significant.
- On average the change in employment over the 2004 to 2008 period was 0.24 employees. After controlling for other salient factors, growth in employment of majority women-owned firms was essentially zero, a difference that was again statistically significant.

- The average change in salary mass over the 2004 to 2008 interim was an increase of approximately \$48,000 (CDN). The change in salary mass of majority women-owned firms, however, was approximately \$43,000 (CDN), a difference that was statistically significant. It would appear that women-owned firms are relatively more likely to increase the pay of employees than to add employees.
- Finally, the average growth of profits over the 2004 to 2008 interim was an increase of approximately \$25,000 (CDN). After controlling for other factors, the growth of profits of women-owned firms did not differ from this average to a statistically significant extent.

These findings speak to gender-related differences in the growth patterns of SMEs. After controlling for salient factors associated with enterprise growth, majority women-owned young firms did not grow to the same extent as those that were jointly owned by men and women, nor as much as enterprises wherein men were the majority owners. The findings differ from Watson (2002) who found no significant gender-related differences with respect to total income to total assets, return on assets, or return on equity (after controlling for industry and firm age). This difference illustrates that women-owned firms may be as well managed and as profitable as those owned by men (Watson, 2002) but that they do not grow as much or as fast, thereby lacking scale and associated efficiencies. Cross-sectional accounting longitudinal and growth performance are quite different dimensions of performance.

The findings lend support to the social feminist rationale that suggests gender differences are attributable to socialization and evidenced in growth aspirations and experience. This is in contrast to liberal feminists arguments about systemic sector challenges, given that sector or capital investment were significantly associated with the interactions among gender and the growth performance measures.

WHO SEEKS AND WHO RECEIVES? IMPLICATIONS OF DEMAND FOR AND ACCESS TO FINANCIAL CAPITAL BY YOUNG FIRMS

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In the aftermath of the financial crisis of 2008, policy-makers at all levels are concerned about the impact of the crisis on access to financial resources by young firms, particularly as major changes occur in bank-lending practices and uncertainties surround the implementation of financial reform legislation. In this paper, we analyze the types and sources of financing used in young firms during the years 2007, 2008, and 2009. Using a longitudinal survey of firms that began operations in 2004 and are tracked over their first six years of existence, we find differential outcomes for firms who applied for loans and received them, those who applied and were denied, and those which did not apply for fear of denial. We explore the factors that mitigate the decision to apply for a loan and the subsequent outcomes of firm survival and growth. Our work provides insights into the relative importance of supply and demand for financing both prior to and subsequent to the financial shocks. We leverage various measures and perceptions to disentangle the decision to seek bank loans from the likelihood of receiving a loan based on credit scores and other objective measures. We find that both tangible and intangible assets, particularly intellectual property, play a significant role in receipt of bank loans in the firms' early years of operation.

The Kauffman Firm Survey (KFS) is a longitudinal panel study of 4,928 businesses founded in 2004 and tracked over their early years of operation. The panel structure of the data covers the first six years of operation of the firm, and thus the results provide critical insights into how firms are financed in the earliest years of life, and the relationship to subsequent outcomes. Detailed data are gleaned on the nature of new business formation activity including internal and external sources of financing, firm size and focus, and data related to the characteristics, experience and human capital and of the entrepreneur. These data offer additional advantages for examining new firm financing and testing the relationship between initial financing choice and the subsequent innovation trajectory of the firm. First, many studies of new firms are innately subject to survivor bias when studies are limited to firms that receive particular forms of financing, such as venture capital or even angel financing, in which not all firms survive long enough to reach that point, or studies of firms that go public, which must by necessity have survived long enough to issue public securities. In the KFS data firms all began operations in 2004, and thus the sample does not suffer from inherent survivor bias. The inclusion of a range of industries facilitates comparison between and among distinct types of sectors. Multiple levels of sensitivity to industry differences are considered here.

ENTREPRENEURIAL FINANCE AND PERFORMANCE: A TRANSACTION COST ECONOMICS APPROACH

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We extend transactions cost economics to the entrepreneurial setting. The transaction cost economics project finance framework suggests equity is better suited to projects with high levels of asset specificity while debt is better suited to projects with low levels of asset specificity. We apply this transaction cost economics framework to the entrepreneurial finance setting and generate two hypotheses: 1) as asset specificity increases, the firm will be less likely to use debt and more likely to use equity; and 2) performance is adversely affected when the use of debt and equity are not properly aligned with asset specificity. We test these hypotheses using data from the Kauffman Firm Survey, a longitudinal survey of businesses that began operations in 2004 that are tracked over the 2004-2008 period.

To assess Hypothesis 1 we run regressions of the following form:

$$(1) \text{ debt ratio}_{it} = \beta_1 \text{ asset specificity measure}_{it} + X_{it} + \epsilon_{it}$$

where debt ratio_{it} is the ratio of debt to debt + equity for firm i at time t , where $\text{asset specificity measure}_{it}$ will be one of three measures and where X_{it} is a vector of control variables. From (1) we obtain predicted values for each firm's debt ratio, and use these to construct measures of misalignment between predicted debt ratio and actual debt ratio. More formally,

$$(2) \text{ misalignment}_{it} = \text{debt ratio}_{it} - \text{predicted}(\text{debt ratio}_{it})$$

We then first difference the absolute values of the misalignment to obtain a measure of change in misalignment:

$$(3) \Delta \text{misalignment}_{it} = \text{abs}(\text{misalignment}_{it}) - \text{abs}(\text{misalignment}_{it-1})$$

Finally, we investigate the effect of misalignment on performance outcomes:

$$(4) \text{ performance}_{it} = \beta_2 \Delta \text{misalignment}_{it} + X_{it} + \eta_{it}$$

Empirically, our results show that firms align their debt ratio with their asset specificity and performance is adversely affected when the use of debt and equity are not properly aligned with asset specificity. Our results are robust to different measures of asset specificity and performance and highlight the importance of matching the *type of finance* used to the *characteristics of the project*.

In contrast to prior empirical work linking financial structure to asset specificity, we focus on very small firms, which are likely engaged in only a single project. Our results add to other empirical work in this area providing additional support for the central predictions of transaction cost economics as applied to corporate finance. In addition, our results show how transaction cost economics can also be applied to new, entrepreneurial firms. The results have significant implications for new firms. In order to better create and capture value, a new firm should arrange financing in alignment with its underlying assets. Our study shows that appropriate financial structure leads to new firms being able to create and capture value. From a policy point of view, these results suggest that policymakers should work to ensure that many types of financing are available without hindrance to new firms. New firms that have ready access to debt and equity financing will be able to use the appropriate mix of financing required by their venture and in turn will have better performance prospects.

Key Words

entrepreneurship, finance, transaction cost economics

GENDER DIFFERENCES IN APPROACHES TO INNOVATION AMONG U.S. ENTREPRENEURS

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Principal Topic

Innovation and entrepreneurship have been long recognized as important contributors to the U.S. economy (Audretsch, 2002; Wong et al., 2005). Over the last several decades, we have witnessed major waves of innovation in such disparate industries as technology, health care, manufacturing, retailing, education, and national defense. Some of the innovations have involved the development of new products and services, while others have occurred in the area of delivery systems and processes.

In light of the important role played by innovation, a likely question might be: “Who are the innovators?” and “How do they innovate?” In this article we will provide a gendered perspective on innovation using a sample of almost 200 U.S. entrepreneurs. In particular, we will explore the extent to which women entrepreneurs innovate, and whether their level of innovation is comparable to that of men. We will also explore the types of innovations that women pursue and compare them with those pursued by men. Finally, we will explore potential barriers to innovation for women entrepreneurs and conclude with recommendations for addressing and removing those barriers.

Surprisingly, relatively little research has been done on the topic of gender and innovation. Although a number of articles and studies have compared women and men in specific industries typically associated within innovation, i.e. information technology and bioscience, almost none have compared the attitudes of women and men toward innovation in general or specific approaches to innovation in particular. We seek to address that gap.

In summary, previous research suggests women are less likely to be involved in entrepreneurship generally and less likely to be in innovative types of industries and activities specifically. We pursue this line of inquiry and examine the extent to which women entrepreneurs are involved in innovation, as well as whether or not women define and pursue innovative activities in different ways from men.

Method

Data were drawn from study on innovation in women-owned firms sponsored by the United Nations Commission on Trade and Development (UNCTAD). A survey was administered electronically using Survey Monkey in November of 2010. Participants were drawn from a variety of groups targeting entrepreneurs, small firms, and women business owners. These included the National Association of Women Business Owners, the Women's Business Enterprise National Council, the Women Presidents' Organization, and Xconomy.com. Firms were also drawn from the U.S. Small Business Administration's Dynamic Small Business Search listing and recruited through social networking sites such as Facebook, LinkedIn, and Twitter. A total of 196 usable surveys were returned, 69 from men and 127 from women.

Results and Implications

Survey results reveal a number of gender differences in terms of attitudes and approaches to innovation. First, women were more likely than men to state that their firm was not innovative at all. When they did describe their firm's innovative activities, however, women were more likely to associate innovation with changes in marketing or management processes and practices. Men were more likely to associate innovation with the development and eventual commercialization of products and services. Our findings reveal that women were much less likely than men to have intellectual property protection in the form of patents, although a high percentage of women did have trademarks and copyrights. Women entrepreneurs who responded to our survey did not express a higher level of risk aversion than men, but they did report fewer failure experiences suggesting that they may, in fact, be somewhat more risk averse. Consistent with prior research (Wilson et al., 2007; Ibid., 2009) our results also suggest that women entrepreneurs have less confidence in their ability to identify and develop innovative ideas than men. Women were more likely than men to agree with the statement that they have innovative ideas, but don't know how to implement them. Women were also more likely to stress the importance of role models and educational programs in helping them increase the level of their innovative activities. Our findings will shed light on potential barriers to innovation for women entrepreneurs, allowing us to explore ways to address and remove these barriers.

HIERARCHICAL SUBSTITUTION: CONTEXTUAL EFFECTS OF NETWORKING ON RESOURCES ACQUISITION

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Principal Topic

Using comprehensive data collected in Uganda, this study investigates how resource acquisition is determined by relational characteristics of the tie between entrepreneurs and their alters and structural characteristics of entrepreneurs' networks, and how these determinants depend on the context in which entrepreneurs are embedded, specifically entrepreneurs' rural and urban residence. We argue that trust benefits generated on the relational and network levels are hierarchically substituted by trust benefits generated on the societal level, specifically in rural areas characterized by a collectivistic culture.

There is no shortage in studies explaining how social networks are beneficial to entrepreneurs and their enterprises (Hoang and Antonic, 2003). Most of this research assumes, at least to some extent, a universal impact of social networks on the resource benefits generated. It tends to ignore the idea that the impact of networks might depend on the context in which the entrepreneur is embedded. However, recent and emerging research on entrepreneurial networks is moving away from this universal understanding of social networks' impact on entrepreneurial output towards a more contextual understanding (e.g. Xiao and Tsui, 2007; Greve and Salaff, 2003).

Following a contextual understanding of social networks, we argue in this study that resources acquisition in networks should be considered to be a cross-level phenomenon that is characterized by a mechanism that we term *hierarchical substitution*. Our argument is based on the notion of Sandefur and Laumann (1998) that a relation between ego and an alter is nested in ego's social network and that ego's network is nested in a broader social system, context, or community. Thus, relations, social networks, and social systems represent different hierarchical levels of the environment from which individuals might obtain benefits. Our central argument is that if benefits are generated at higher levels in society, there is less need to generate them at lower levels as well. Specifically, we argue that benefits obtained on higher levels of abstraction hierarchically substitute the value of obtaining similar benefits on lower levels of abstraction.

We demonstrate and apply the principle of hierarchical substitution to resource acquisition in networks in the following way. Access to network resources depends critically on the degree to which members of a social system are trustworthy, i.e. whether they behave predictable in interactions (Coleman, 1988). The cultural context may provide such a trustworthy environment. Members of a collectivistic community will behave more predictable and more trustworthy towards their network of in-group relations (Triandis, 1989; Doney, Cannon & Mullen, 1998). This has consequences for the process of trust and social capital production on lower hierarchical levels. In communities that are characterized by higher levels of trustworthiness among its members less trust (production) is needed at lower levels. So, we argue that trust generated at the societal level hierarchically substitutes the trust generated at lower levels, and thus codetermines what kind of networks are beneficial.

Based on this broad idea of hierarchical substitution, we developed four hypotheses that together test the overall idea. On the network level, we hypothesize that network density is less likely to provide entrepreneurs access to tangible resources, while we on the relational level hypothesize that family relations, personal relations and multiplex relations are less likely to provide entrepreneurs with access to tangible resources.

Methods

We test our hypotheses on survey data collected in Uganda. The data was gathered via face-to-face interviews (45-60 minutes) by an experienced and trained team of 10 interviewers (N=737; response rate 99 %). We applied multiple name generators (personal and business) to measure entrepreneurs' social networks, which is a standard survey method of collecting ego-centred network data (Marsden, 1990).

The basic unit of analysis in our study is the relation between an entrepreneur and an alter. Since we have multiple relations per entrepreneur, our data is characterized by a nested structure. We therefore applied a multilevel statistical model that explicitly takes into account the nested data and the related dependency structure (Snijders & Bosker 1999).

We first empirically established based on Triandis and Gelfland's (1998) measures scale that our rural sample is characterized by higher level collectivism and thereby benefits of sharing, trust, norms of reciprocity, and mutual obligations at the community level. Hereafter we tested whether the effect of density, family ties, personal ties, and multiplex ties are significantly lower on entrepreneurs likelihood to access tangible resources (reliability coefficient = .74) in rural communities.

Results and Implications

We found, as predicted, that in the more collectivistic rural region resource acquisition depends less on network density, kinship and personal ties. We also predicted that multiplex ties would be less important in rural areas; however, on the contrary we found they are more important.

With three out of four hypotheses supported and, in general, results that are consistent with prior research on entrepreneurs' networks and resource acquisition, we conclude that hierarchical substitution is a viable concept that warrants further investigation. It seems like the concept helps us understand, but more importantly, explain the context specific mechanisms of social networks.

An emerging focus has been on investigating contextual differences in social networks and their effects on a range of outcomes (Xiao and Tsui, 2007; Greve and Salaff, 2003), but mainly the emphasis has been on establishing that context differences exist rather than explaining such differences. Hierarchical substitution is a concept that provides reliable explanations of context differences in social network effects.

FROM SUPPLY TO DEMAND-DRIVEN OPPORTUNITIES: UNRAVELLING THE ROLE OF THE CUSTOMER IN OPPORTUNITY IDENTIFICATION PROCESSES

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Principal Topic

Successful identification and exploitation of opportunities has been an area of interest to many entrepreneurship researchers. Since Shane and Venkataraman's seminal work (e.g. Shane and Venkataraman, 2000; Shane, 2000), several scholars have theorised on how firms identify, nurture and develop opportunities. The majority of this literature has been devoted to understanding how entrepreneurs search for new applications of their technological base or discover opportunities based on prior knowledge (Zahra, 2008; Sarasvathy et al., 2003). In particular, knowledge about potential customer needs and problems that may present opportunities is vital (Webb et al., 2010). Whereas the role of prior knowledge of customer problems (Shane, 2003; Shepherd and DeTienne, 2005) and positioning oneself in a so-called knowledge corridor (Fiet, 1996) has been researched, the role of the actual customer in opportunity identification has received scant attention.

In this paper we address the role of key customers in the opportunity identification process. Research has shown that relationships with key customers can enhance commercialisation through establishing legitimacy and support (De Clercq and Rangarajan, 2008), may improve a venture's business concept and products (Bhave, 1994), and may help in knowledge acquisition (Yli-Renko et al., 2001). Tight coupling with lead users may be in particular beneficial for opportunity identification for entrepreneurs (Connor, 1999; Von Hippel, 1986), but tight coupling may also stifle innovation (Yli-Renko et al., 2001; Slater and Narver, 1998). Yet, most of these literatures either focus on the exploitation phase or on how opportunity processes unfold when entrepreneurs identify opportunities based on perceived latent needs, but none has gone in-depth to understand how opportunity identification processes are directly shaped by customers actively presenting a potential opportunity in the form of a problem that needs solving. We address this gap by investigating the role of customers in shaping

the opportunity identification process. We argue that in some situations entrepreneurs could infer customer needs through own experience, knowledge corridors or secondary information, in other situations it might be very difficult to understand potential customer needs without having direct interaction with those customers.

Method

To investigate the role of the customer in the opportunity identification process, we conducted a case study on multiple firms that provide products and services to mining companies. We chose the mining sector as it is a rather closed industry in which customers are hard to access. Not only the remote locations of mine sites and the stringent safety / security measures make mine sites very hard to access, the harsh operating conditions and a number of unique challenges that mining companies face (MCA Report, 2011) lead to the development of a wide range of products and services tailored specifically to the demands of the industry. This makes interaction with customers vital for creating entrepreneurial opportunities. Australia's mining companies are in particular receptive to innovation and frequently push problems into the market space that they would like to see a solution for (AusIMM Report, 2008). This provides a unique opportunity to study two fundamentally different opportunity identification processes. One in which the entrepreneur drives opportunities (supply-driven process) and one in which the customer is presenting a problem/ need for which it seeks a solution in the marketplace (demand-driven process) (see Sarasvathy et al., 2003). We selected six ventures that earn a majority of their revenue from supplying products and services to the mining industry. In line with our research objective, we chose to select ventures that identified opportunities from either the supply-driven or demand-driven process. The information gathered through interviews and publicly available documentation included the founding process and history, nature of the business operations, approach towards identification and exploitation of opportunities, etc. Further probes were conducted into how specific opportunities came to fruition and the challenges faced by the firms in the process.

Results and Implications

We investigated how entrepreneurial firms recognise opportunities using deliberate search or purposefully directed search routines in the customer sphere that are aimed at generating value-based solutions through solving of customer problems. We extend sparse prior literature in the opportunities area that focuses on need recognition and alignment of opportunities with customer needs (e.g., Bhave, 1994). Our paper proposes a process model on how opportunities are identified and exploited by firms that operate in the mining sector. Based on in-depth case interviews with firms that supply products and services to this sector, we find that opportunity identification and exploitation is intertwined with the manner in which such firms collaborate with their customers.

Initial patterns that emerge from the data suggest that firms that provide products and services to the mining sector adopt different coupling mechanisms with the customer to identify and develop opportunities. Given the nature of the mining sector, most of these firms identify opportunities that provide them a foothold in a niche area in the market. It appears that the development of these niche opportunities result from identification of latent needs and direct requests from customers. These exploratory results have significant implications for the opportunity-based literature and for the first time highlight the customer coupling processes in the opportunity formation process.

FIRST GENERATION MIGRANT ACADEMIC WOMEN PROFESSORS: A QUALITATIVE EXPLORATION INTO THEIR LEADERSHIP AND ENTREPRENEURIAL SKILLS AT UK BUSINESS SCHOOLS

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Principle Topic

A considerable body of evidence demonstrates that in most developed economies, women academics tend to occupy lower positions in universities (Probert, 2005, Ackers, 2008). Despite (very) modest increases in the proportion of women working in UK universities, less than 20% of professors are female (HESA, 2009). The majority are found in junior grades (researchers and lecturers) (ibid). Knights and Richards (2003) have argued that careers in UK universities are based upon a masculine model, namely, research activity, participation in the Research Excellence Framework exercise and an uninterrupted career history. They highlight what they see as a masculinity effect within academia which is aggressive and competitive, and serves to silence those who are marginalised by it, namely, women, gays, ethnic minorities and other minority groups.

Overall, research on women in academia is expanding internationally and focusing on the challenges and barriers that women face in their journeys to the top. This paper has approached this topic from a different angle by focusing on a specific group of women who have reached the top in their academic careers within a male dominated academic discipline. In addition, they are also first generation migrant professors. To this extent, the aims of this paper are twofold; firstly to explore the personal and professional journeys of first generation migrant women professors employed in UK business schools, and secondly to identify how these migrant professors' used entrepreneurial skills to contribute to their research and leadership posts within academia.

Methods

Given the aims of the study, a qualitative research approach was adopted. Life-story interviews with a purposive sample of ten first generation migrant female professors employed at British universities were completed to attain an analytic and conceptual perspective on the proposed intersectionality of gender, migration, academic leadership and entrepreneurial skills in career progression within the academic discipline of business / management. This intersectionality is explored by maintaining a specific focus on first generation migrant women professors operating in UK universities' business schools and management departments.

The life-story interviews addressed the participants' migration, academic and personal journeys, as well as their use of entrepreneurial skills. This data was utilised to identify how entrepreneurial skills were used by respondents to progress their academic careers. The results and discussion presented are part of a broader study exploring the first generation migration experience and its influences on career progression in academia, academic leadership & role models, and identity.

Results and Implications

While the population of first generation migrant women professors employed in UK universities' business schools was found to be extremely small, they are making significant contributions to higher education and research here as well as the brain-gain trend. With their partners / husbands and families, they feel established in this country and have voluntarily become citizens to be able to vote and contribute to their social communities. These findings illustrate the extent to which the first generation migrant women professors are similar to other professional first generation migrants such as medics, engineers and scientists residing in developed economies.

Traditionally, entrepreneurial skills are considered as a broad and varied set of personal and professional transferable skills, necessary for creating, developing and sustaining an enterprise. They include but are not limited to communicating with a broad range of stakeholders, networking, identifying and creating opportunities, creativity and innovative problem solving, business planning and management, branding and marketing (Gibb and Cotton, 1989), and essentially, the ability to take calculated risks in volatile socio-economic environments. Respondents in the current study reported using entrepreneurial skills to further their careers, for example, taking risks including challenging decisions by funding bodies to reject proposals. In addition, these professors were able to use their communication skills to develop broad networks of contacts which were integral to their career progression. Not all respondents viewed these skills as entrepreneurial, rather they saw them as essential to an academic career.

Implications to policy makers, practitioners, educators and researchers

While migration trends and their outcomes of 'brain drain' (Potts, 2005), 'brain gain' (Johnson, 2004) and 'brain competition' (Abella, 2006) have been widely documented, the discourse has been dominated by the male experience. Similarly, research focusing specifically on migrant academics (Potts, 2005, Corley and Sabharwal, 2007) is increasing, but remains comparatively small in relation to available studies on other migrant professionals. Furthermore, available literature specifically addressing migrant academics specialising in business / management is very limited and predominantly US centric (DeAngelo et al, 2005, Ehrenberg et al, 2004). Thus, while women remain invisible in this discourse, a handful of articles addressing migrant women in academia is gaining increased attention (Bailyn, 2003; Czarniawska and Sevón, 2008; Skachkova, 2007). It is important to note however, that the available literature addressing migrant women and entrepreneurship written by migrant and non-migrant academics is increasing rapidly (Basu and Altinay, 2002; Bruni et al, 2004; Ahl, 2006; Essers and Benschop, 2007). The implications of such trends and their outputs, are clear for policy makers, practitioners, educators and researchers involved in the themes of migration, gender and career progression within the UK academy especially as the Coalition Government is currently revolutionising the future of the higher education landscape in this country. In a broader context, this paper contributes to the international discourse about migrants, leadership, entrepreneurship and social inclusion regularly addressed amongst international organisations and their development partners.

GENDER, ESE AND EXHAUSTION AMONG ENTREPRENEURS

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Principal Topic

Entrepreneurs are known to persist in the face of difficulties (Gatewood, Shaver, & Gartner, 1995), stress and long hours are known to constitute the dark side associated with entrepreneurship (Kuratko & Hodgetts, 2007). It is clear that entrepreneurial activity is demanding, both in terms of working hours (Blanchflower, 2004; Shane, 2008) and in terms of psychological stress (Shane, 2008), and these impact the wellbeing and family lives of entrepreneurs. However, there is little research on how the demands of entrepreneurship affect the entrepreneurs wellbeing and their intentions to persist or exit from the entrepreneurial venture. Similarly, the research on Work Family Interface issues related to entrepreneurs (Jennings and Mcdougald, 2007) is very limited.

In this study, we borrow from the Job Demands Resources (JDR) model and the Work Family Conflict (WFC) literature from Organizational Psychology to test propositions related to how WFC affects Exhaustion, and consequently Exit Intentions of entrepreneurs. We also look at the role of Entrepreneurial Self Efficacy (ESE) and how it relates to Exhaustion and Exit Intentions. Finally we also view the differential impact of ESE on men and women, articulating the moderating role of Gender.

The JDR model tells us that work demands can lead to exhaustion. Exhaustion is the core component of burnout (Bakker, Schaufeli, Sixma, Bosveld, & Van Dierendonck, 2000) and has been defined as an extreme form of fatigue as a result of long term exposure to difficult working conditions (Demerouti, Bakker, Vardakou, & Kantas, 2003) and we know that such exhaustion is linked with turnover intentions. Similarly, in the entrepreneurial context, we argue that exhaustion will lead to exit intentions, here defined as "conscious and deliberate willingness to exit the venture".

The notion of self-efficacy comes from Bandura's social cognitive perspective and "Efficacy beliefs influence how people feel, think, motivate themselves, and behave." (Bandura, 1993, 118). Self efficacy construct applicable to the domain of entrepreneurship, Entrepreneurial self-efficacy (ESE) (Chen, Greene, & Crick, 1998; Zhao et al., 2005) is defined as an individual's self-confidence in their ability to successfully perform entrepreneurial roles and tasks (Chen et al., 1998; Zhao et al., 2005). Forbes (2005) argues that understanding entrepreneurial self-efficacy is important "because it can affect individuals' willingness to engage in entrepreneurship as well as the behavior of those who are already entrepreneurs" (Forbes, 2005) (p. 601). In this case, we look at effect of entrepreneurial self efficacy on exhaustion and exit intentions of entrepreneurs.

Method

For this study, we collected a sample of 173 early stage entrepreneurs from Midwestern US. The US sample was collected in two waves of data collection (2008 and 2010). There were 131 men and 42 women in the US sample. There were two missing values for gender and those cases were not included in the analysis. The Australian sample of 302 entrepreneurs was collected using online surveys in 2009. Out of these 169 were women and 131 were men. Using structural equation modelling in AMOS, we developed a model that that looked at WFC, ESE, and exhaustion and exit intentions among entrepreneurs.

Following hypotheses were developed :

1. WFC will be positively related to Exhaustion.
2. Gender will moderate this relationship such that this effect will be stronger for women.
3. ESE Will be negatively related Exhaustion.
4. Gender will moderate this relationship such that this effect will be stronger for men.
5. Exhaustion will be positively related to Exit Intentions.
6. Gender will moderate this relationship such that this effect will be stronger for women.

Results and Implications

The hypotheses were tested through SEM using AMOS 18. Paths were drawn from WFC, and ESE to Exhaustion and from Exhaustion to Exit intentions. We also drew co-variances between ESE and WFC. We tested the full model using four groups (Australian men and women and US men and women) and found that the fit was adequate (CFI=0.898, RMSEA= 0.053, P=0.00). First two hypotheses were supported. The third hypothesis that ESE will mitigate exhaustion was supported only in the sample of men. It was not supported in the sample of either Australian or US women. Hypothesis 5 was supported in all samples, but the gender moderation hypothesis was not supported.

This paper empirically explores the issues related to WFC, Exhaustion and Exit intentions among entrepreneurs. We found that WFC indeed leads to exhaustion, and this effect is stronger for women. Similarly, women do not seem to get the benefit of ESE in mitigating their exhaustion. Given that women experience greater exhaustion, and do not get the mitigating effect of ESE may explain why women owned ventures tend to be smaller.

Even though entrepreneurship scholars have called for more work family interface related research (Jennings and Mcdougald, 2007), there is little work incorporating the role of work family conflict in entrepreneurial work context. Answering their call for research, we study the role of work family conflict as it fuels exhaustion among entrepreneurs. Such integration of WFI into entrepreneurship related research is particularly important in the context of gender research in entrepreneurship. Women are traditionally underrepresented in the entrepreneurial careers. Even though there is a good deal of research explaining some of the disadvantages faced by women entrepreneurs, many aspects of gender issues in entrepreneurial careers are still unclear. In this case we look at how the gender moderates the relationship between ESE, Exhaustion and Exit intentions.

EXPLORING THE LANDSCAPE OF ENTREPRENEURSHIP JOURNALS: AN EMPIRICAL INVESTIGATION OF RANKINGS AND IMPACT

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Introduction

Following the paradigm of “publish or perish” (Brandon 1963), journal publications have become extremely important for many academic careers. This is also true for the field of entrepreneurship research. Nevertheless, a scientific system with incentives predominantly based on journal publications is often criticized. (See various articles published in a special section on “Doing Work that Matters” in the journal “Academy of Management Learning and Education” in March 2009 and again in 2010.

By and large this debate is characterized by the exchange of normative opinions but fails short to deliver empirical based arguments. This paper delivers such empirical insights.³ For instance the Australian ERA list has caused quite some debates. But are the classifications provided for entrepreneurship journals by the ERA listing in line with the assessments from other (national or international) rankings and impact measurements? We compare ranking positions as provided by various international rankings and different impact measurements. Additionally we measure the impact of each journal by a simple method that we have developed. We call this method the Top-5-Index and it is based on a common bibliometric observation of typically extremely left skewed distributions. This method allows us to assess the real impact (as indicated by citations) of journals which are not covered by the Social Citation Index or the SJR. Results reveal some variance of individual journals’ ranking positions. That may does not come at surprise. However, it seems that we underestimate many entrepreneurship journals. For instance, many entrepreneurship journals of empirically measured influence are not included in the ERA list or any other list, to the disadvantage of the field and particularly its researchers.

Methods

We have searched libraries and the internet for academic entrepreneurship journals. We have been confronted with the definition of “entrepreneurship journal”. This definition is influenced by someone’s general understanding of entrepreneurship as a field of research. We won’t address this issue in detail, because many articles have been published on the definition of entrepreneurship as a field of research. There still is no single answer to the questions “What is entrepreneurship?” or “What is not entrepreneurship?” Instead of entering a battle over definitions we were seeking a practical solution and have defined entrepreneurship journals as journals dedicated to publishing articles on the start-up of organizations, the early growth of young organizations, small business, family business, owner management, and innovation in the context of the previous mentioned areas. This practical solution would for instance include journals on franchise systems if franchising is explored in combination with the foundation or growth of young, newly founded businesses, but not in case franchising is examined as a distribution mechanism for large corporations.

A second problem was the definition of the term “Journal”. In some rankings some annual books and conference proceedings have gained status of an academic journal, for instance Babson’s “Frontiers of Entrepreneurship Research” are ranked “D” on German’s influential journal quality list “VHB Jourqual 2011”⁴. Other publications have the appearance of an edited book, e.g. the yearly published “Advances in Entrepreneurship, Firm Emergence and Growth”, but still follow similar rules like special issues of journals.

Then again some publications have the looks of a journal but include only a single monographic piece of work, e.g. the “Foundations and Trends in Entrepreneurship” and the “Synthesis Lectures on Technology, Management, and Entrepreneurship”. We have included all these types of publications in our analyses, mainly to provide a “full picture” but also to create awareness for the fact that periodical, reviewed publications can have different faces. In addition, we had an interest in empirically measuring the impact of such publications.

Our work results in an international comparative study of 20 different rankings, two elaborated impact measurements, the H-Index, and a new measurement that we called the “Top-5-Index”. The Index is easy to execute for everyone and provides a good estimation of a journals influence, based on citations. Regarding the international comparative study we have developed a “journal rank exchange rate” to allow for a comparison of different measures and classifications.

Results

We have identified 78 entrepreneurship journals published in English (75), Italian (1), or German (2) (see full paper for complete list). Only twelve of these journals are listed by the influential Social Citation Index (SCI). The SCImago Journal & Country Rank SJR provides data for 35 journals; and the ERA listing recognizes 40 journals, i.e. more than 50% of all entrepreneurship journals. For comparison, the German VHB Jourqual 2011 includes 32 journals (see table 1). As a result from descriptive analysis of frequencies, it must be stated that most journals remain unrecognized by the listings.

Table 1: Number of Journals in sample and frequency of inclusion in listings

Number of E.ship- Journals (total sample)	E.ship-Journals with SCI Impact Factor	E.ship-Journals listed by SJR ⁵	E.ship-Journals recognized by ERA	E.ship-Journals recognized by VHB jourqual 2011
78	11	35	40	32

Table 2: Frequency of inclusion of entrepreneurship-journals in 20 international journal rankings

Smj 1999	Wie 2001	Vhb 2003	Bjm 2004	Hkb 2005	Theo 2005	EJL 2006	Ejis 2007	Ejis-CI	UQ 2007	SJR-Q 2011
2	7	13	12	1	3	11	23	23	30	34
Aeres 2008	Aeres 2009	Ast 2008	Cnrs 2008	Wie 2008	Abdc 2010	ABS 2010	Cra 2010	Ess 2010	UQ 2011	SJR-H 2011
12	17	10	15	6	50	22	18	7	28	35

3 I have presented bibliometric papers on earlier conferences (including AGSE IRE); however this paper differs a lot, since the level of analysis has shifted from articles to journals and therefore we use a totally different non-random sample that was created in 2011.

4 Other entrepreneurship journals ranked “D” by the VHB jourqual 2008 include the “International Journal of Entrepreneurial Behaviour and Research”, the “Journal of Small Business and Enterprise Development”, and “Technovation”. See the internet at <http://vhbonline.org/service/jourqual/vhb-jourqual-21-2011/alphabetische-uebersicht-jq-21/> for an alphabetic summary of the journal list; see Hennig-Thurau et al. (2004) on the methodology of the list.

5 Provided by SCImago Journal & Country Rank; see <http://www.scimagojr.com/index.php>.

Due to limited space, only an “appetizer” from our results will be presented with this abstract. The results for a comparison between the ISI SCI Impact Factor and the ERA-List as well as other rankings and measurements reveal some deviations, especially for younger journals. The Impact Factor of “Technovation” is extremely high, while the rankings are more modest in their assessments. “Strategic Entrepreneurship Journal” and the “Journal of Technology Transfer” both seem to be underestimated by the rankings, too. The German VHB ranking appears to be a rather tough evaluation, as none of the journals reached an “A*”, and only three journals an “A”, despite their impressive impact measurements.

Table 3: Comparison of ranking positions according to SCI Impact Factor, Australian ERA-List and ABDC 2010, German VHB JOURQUAL 2.1 (2011), and SJR-measurments

No.	Journal	ISI SCI Impact Factor	ERA-2010 Category (A*-C)	ABDC 2010 Category (A*-C)	VHB Category (A*-E)	SJR Impact Factor	SJR H-Index
1	Technovation	2,993	A	B	D	0,051	37
2	Research Policy	2,508	A*	A*	A	0,068	86
3	Family Bus Rev	2,426	A	A	C	0,043	16
4	Entr Theory & Pract	2,272	A	A*	A	0,044	32
5	J of Bus Venturing	2,149	A*	A*	A	0,051	58
6	Strategic Entrepren J	2,026	C	C	B	-	-
7	Small Bus Econ	1,555	A	A	C	0,043	40
8	Entr & Reg Develop	1,353	A	B	C	0,038	29

Implications

Our paper explores many different rankings. It turns out that only very few journals are almost equally evaluated throughout the globe. Epically journals from the top end of the lists gained some uniformity in their global assessments (e.g. JBV and ET&P). Other journals, especially those in the ERA “C” category, show a high variance in their ranking positions compared with other international rankings. The ERA-List suffers from the fact that it divides entrepreneurship journals in “A” and “C” journals, with only one journal out of 41 categorized “B”. Therefore, the ranking of journals does not form a “pyramid of quality” like most other rankings do. Instead, the ERA listing is underestimating many entrepreneurship journals, compared to other rankings and measurements of impact.

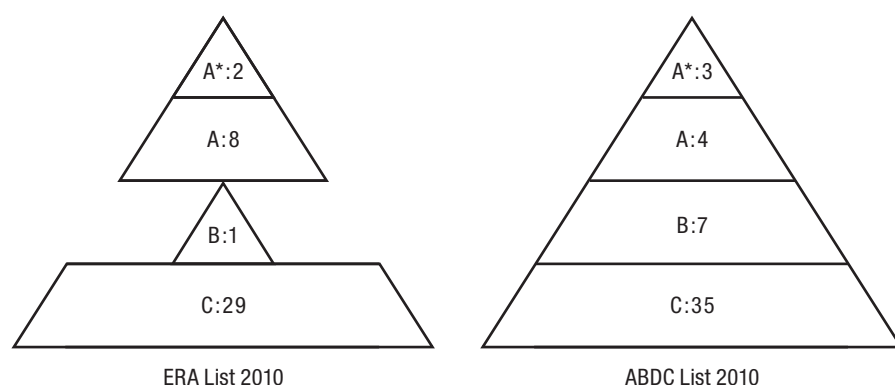
Our study provides rich insights on where to publish a paper on entrepreneurship research according to evaluations from outside Australia. For instance, the “International Journal of Entrepreneurial Behaviour and Research” is categorized “B” by the ERA 2010 listing, but has received lower evaluations by nine out of twelve international rankings. Australian research scholars who aim at a more international career therefore could be advised to consider submitting their paper to a different journal than IJEB&R, even though the alternative journal may only be ranked “C” by ERA, but much higher by many other rankings, like in the case of “Strategic Entrepreneurship Journal” or “Journal of Technology Transfer”.

To enrich the field of entrepreneurship research and especially the chances it provides for valued publications, the community of entrepreneurship scholars should work on increasing the number of journals recognized by the ERA or ABDC evaluation system. Yet unrecognized journals should enter the “C”-category, and the best journals from the “C”-category should climb up the ladder, filling the gap at the “B” level. This paper can provide an empirically based guideline on how to execute this strategy.

References

A complete list of references will be provided with the full paper.

Figure 1: Entrepreneurship Journal Quality Pyramid for ERA 2010 and ABDC 2010



THE ROLE OF GUANXI NETWORKS IN THE PERFORMANCE OF WOMEN-LED FIRMS IN CHINA

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Principal Topic, Aim and Method

In this paper we explore how knowledge acquired via *guanxi* (networks and connections) has enabled women-led firms in China to overcome a number of significant barriers and challenges in order to start and grow a successful business. We draw upon two case studies, in order to illustrate how they have utilized *guanxi* as a means of overcoming these barriers. We investigate the way in which *guanxi* facilitates the business owner in engaging in a process of entrepreneurial learning (Harrison and Leitch, 2005; Politis, 2008) – and making connections and contacts – by which she is able to improve the firm's performance. Our key outcome is a conceptual model explaining this process in the context of gender differences and socio-cultural barriers. We seek to bring together a number of disparate but linked themes building upon Bourdieu's (1986) forms of capital and how they relate to gender (Elam, 2008).

The restructuring, privatization and, in some cases, abolition of many state-owned enterprises (SOEs), as a response to international pressures and increasing globalisation, has changed the gendered relationships in Chinese society. Given widespread low wages, married men and women in China must work full-time to make ends meet (Cooke, 2004). When conceptualising China as a transition or post-socialist economy, it is important to distinguish between the Scasean notion of 'entrepreneurship', based upon Kirznerian opportunity-seeking entrepreneurs, vis a vis 'proprietorship' (Scase, 2003), in which there is a lack of reinvestment of retained profits in the business and, therefore, limited growth aspirations (Smallbone and Welter, 2009). Some women may have been pushed into small business ownership by labour market disadvantage and may not be Kirznerian entrepreneurs. China has high levels of early-stage entrepreneurship, at 16% of adults, according to the Global Entrepreneurship monitor (Bosma and Harding, 2006), hence there may be over a hundred million Chinese entrepreneurs – and a significant number are women. In this context we explore *guanxi* as a learning process in which knowledge is acquired that is vital to the firm's sustainable competitive advantage and growth prospects.

Results and Implications: *Guanxi* as Socio-Cultural Capital

Guanxi relationships are a form of social capital which is highly culturally determined and may even be conceptualised as being ethereal or intangible. Elsewhere, we have found that fewer women use *guanxi* to access finance [Reference removed for review]. Why might this be? And might it affect the use of *guanxi* in other business transactions and, therefore, the future performance of the firm? Cooke (2005, p. 21) highlights a major barrier for women managers, which no doubt applies to women entrepreneurs, in that if they interact too closely with male contacts in their *guanxi* network there may be, 'rumours which can be highly damaging to their career because of the relatively low tolerance by Chinese society of close relationships between men and women outside marriage.' Although a rather old study, Hisrich and Fan (1991) found relatively poor levels of education (institutionalised cultural capital, according to Bourdieu (1986)) amongst women business owners, a situation which is being rapidly transformed due to the emergence of a highly-educated new generation of entrepreneurs. Education can thus be an enabler rather than a barrier to women's entrepreneurial success.

Our research also suggests that symbolic capital related barriers – which Elam (2008) describes as 'legitimacy, social approval, prestige, status, symbolic power' – are highly important in a nation with a traditional and long-established culture such as China. Women's careers are often secondary to their husbands', while traditionally it is not normally the case that, 'women should be a boss supervising men' (Cooke 2004, p. 255). Yet, one of our cases stated that she would not be taken seriously if she were unsuccessful.

It is clear that, within the domain of employment and (non owner) management, gender equality is largely absent. However, we suggest that entrepreneurship and business ownership as a domain, whilst having a number of significant barriers related to economic, socio-cultural and symbolic capital, offer greater opportunities to women than many forms of paid employment. Forms and types of entrepreneurship in China, like elsewhere, are heterogeneous – from 'weaving' and selling garden produce (Kitching and Jackson, 2002) to high-growth technology firms – and, therefore, there are entrepreneurial activities which can at best be described as 'exploitative', 'lifestyle', or 'unrewarding'. In our paper we analyse the ways in which two case examples of women entrepreneurs have overcome barriers and challenges to successful business ownership via *guanxi*. We thus provide a conceptual model that seeks to explain the learning process through which such knowledge is acquired.

Further research is necessary in order to build upon a small number of studies, including ours, that have already cleared the ground in terms of *guanxi*. More reliable and country-wide, but disaggregated, statistics on small businesses would be a welcome start, including information on their owner-manager's or owner-managers' gender. Research questions for smaller-scale, qualitative work would surely include how to facilitate women entrepreneurs to take the first step to start their new venture but also, more importantly, how to ensure that they are successful: including, as we have already started asking, how women finance firm growth and how they utilise *guanxi*.

ENHANCING COMPETITIVE ADVANTAGE AND BUSINESS GROWTH AMONG MALAYSIAN WOMEN ENTREPRENEURS: THE ROLE OF ENTREPRENEURIAL COMPETENCIES

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Principal Topic

Despite the growth of entrepreneurship research in emerging economies, with only a handful of exceptions (e.g., Fadahunsi & Rosa, 2002; Honig, 1998), research among marginalised groups in these economies remains relatively unexplored. As women form the largest proportion of these marginalised groups recent studies have called for greater attention to the role of women entrepreneurs (Calas, Smircich & Bourne, 2009; Salway, Rahman & Jesmin, 2003; Verheul et al. 2005). The ability of women entrepreneurs to equip themselves with relevant competencies in managing their ventures can be viewed as a means to gain greater empowerment and economic independence and thereby reduce marginalisation. Women, in this perspective, are empowered to reduce significantly the forces of institutional obstacles to their venture development (Langowitz & Minniti 2007, Agarwal, 1994).

This paper reports the findings of an exploratory empirical study that examines the relationship between entrepreneurial competencies on competitive advantage and business growth among entrepreneurial ventures founded and operated by women entrepreneurs in an emerging economy. Since research shows that gender effects on entrepreneurship varies widely between different countries (Shane, Kolvereid, & Westhead, 1991), and most of the research has been in the contexts of developed economies (Minniti & Naude, 2010), there is a need to better understand the impact of gender-specific issues on entrepreneurship in emerging economies, in this case Malaysia.

It addresses a significant shortcoming in current research in that although research has shown that there are significant social and economic barriers to women entrepreneurs, many are able to survive and develop successful ventures, but there is also little research into understanding what these women have and do to overcome these hurdles, especially in the resource-constrained environments of emerging economies. Using a Resource-Based View (RBV) of new ventures this study hopes to bridge this gap by examining how the entrepreneurial competencies of women entrepreneurs can have an impact on early-stage venture performance, thereby pointing to some possible policy implications to encourage women entrepreneurship.

While the Global Entrepreneurship Monitor (GEM) studies found that women entrepreneurs in low/middle income countries are less likely than male entrepreneurs to keep their business surviving beyond 42 months (Allen, Langowitz & Minniti, 2007), they did not look at some of the factors behind why some of the factors that helped those women entrepreneurs that survived. As suggested by Covin and Slevin (1991), the organisational variables that could affect a firm's performance include the organisation's resources and competencies, the organisation's culture and the way in which the organisation is structured. For this research, we focus on entrepreneurial competencies, and specifically on the competencies of analytical planning (Miller, 1987; Auer, 2000), enforcement (Brinckmann, 2007), and networking (Wharton & Brunetto, 2006), and the extent to which these affect competitive advantage and subsequently business growth among women entrepreneurs.

From the research, the paper attempts to contribute to the ongoing policy debate that despite having gender as a development focus for the past 30 years, with endeavours to ensure greater involvement of women in the development of the economy via entrepreneurship activities especially since 2006 (e.g. through specific measures to support women entrepreneurs with finances, site facilities, training and many other opportunities), a significantly above-average number of ventures started by women fail in the first 5 years of their operations (Star, 2009) and why the survival rate among male entrepreneurs was significantly higher (Allen et al., 2007). By so doing, it suggests measures that could develop the internal capabilities that could enhance the performance of women entrepreneurs in Malaysia.

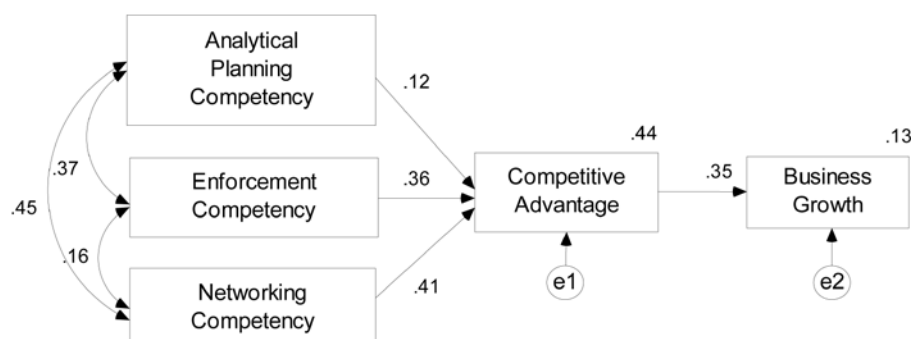
Method

A survey was administered to 300 women entrepreneurs in Malaysia. A total of 130 usable questionnaires were received (43.3% response rate). Confirmatory factor analysis (CFA) was performed to examine the factorial validity of the factors and to assess the goodness of fit of the model (Byrne, 2001). Subsequently, the path analysis that links entrepreneurial competencies, networking, and new venture performance was estimated using the structural equation modeling (SEM) procedure. Besides fit statistics, of particular interest is the path significance indicated by the standardised regression estimate (β) that assesses the effects of entrepreneurial competencies and networking on new venture performance.

Results and Implications

The study reveals that analytical planning, enforcement and networking competencies have significant positive effects on competitive advantage and subsequently business growth. More importantly, entrepreneurial networking appears to have the strongest effect on enhancing the competitive advantage. To that end, the study complements the GEM findings that women who have strong social networks with entrepreneurs are more likely to become entrepreneurs, by suggesting that the networking competency of women entrepreneurs have an effect on new venture survival and performance.

In sum, this study makes the following two significant contributions: (1) it provides an empirical test of the importance of entrepreneurial competencies to business performance in entrepreneurial ventures started by women; and (2) it provides a further understanding of how and why this may be different in the context of emerging economies. It also provides an opportunity for the policy makers to single out women as a different unit and make strategic decision to grow and assist women entrepreneurs to enhance their contribution to the country.



THE ADOPTION OF GRAMEEN II MICRO-FINANCE MODEL IN DEVELOPING GRASSROOTS ENTREPRENEURIAL ACTIVITY IN CAMBODIA

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Principal Topic

In the past few decades, *micro-finance* has been popular in developing countries, such as in Bangladesh and India; it was used to enable the poor to engage in income generating activities, and provide self-employment for themselves and their families; in turn this has helped to fight the many negative aspects of poverty. However, poverty is a multi-dimensional problem. It cannot depend on micro-finance alone to abolish poverty. It needs a comprehensive strategy to address the multiplier effects of poverty. The results from this study showed that most of the micro-finance providers in Cambodia were mainly focused on credit provision, which suggests that the majority of micro-entrepreneurs in Cambodia have not yet been fully serviced by institutional micro-finance providers. The study also concluded that the Grameen II model is well suited to the developing grassroots entrepreneurial activity in Cambodia.

Method

The research methodology of this study involved collecting and analysing the secondary and primary data (i.e. both qualitative and quantitative):

Primary Data Collection Method

The primary data were collected in the form of face-to-face interviews. This additional step was necessary as the study was based on the development of a particular philosophy or phenomenon in the context of a national culture. In the case of this research, the additional step was necessary to shed light on how the proposed integrated micro-finance model could be developed for grassroots entrepreneurial development in Cambodia. The primary data were collected through face-to-face interviews—i.e. the participants answered the questionnaires during the interviews.

Secondary Data Collection Method

Secondary data were gathered based on subject searches of library databases, and statistical evidence from a wide range of academic and associated public and government institutions, including journal articles, texts, electronic data government and semi-government publications. These secondary data are a critical source of information to understand the history of the Cambodian micro-finance sector and its evolution to date, as well as the key factors that affect the development of the sector and its effects on micro-entrepreneurs.

Pre-testing of Questionnaires

Before the final administration, each question and the questionnaires as a whole were tested and evaluated. The questionnaires were tested for credibility by a selected group of potential respondents. The financial institutions' questionnaire was tested by five employees from financial institutions in Phnom Penh, including one commercial bank, one specialized bank and three micro-finance institutions. The micro-entrepreneurs' questionnaire was tested by 12 randomly selected clients of the financial institutions who were micro-entrepreneurs.

Results and Implications

The findings from this study indicated important implications for both theory and practice. There are several implications for micro-finance theory and micro-entrepreneurship literature. First, this study supports the theory of integrated micro-finance for micro-entrepreneurship development discussed by several researchers. In addition, this study supports the statement of the Key Principles of Micro-finance developed and endorsed by the Consultative Group to Assist the Poor (CGAP), that micro-finance is not the only answer; in many cases the poor need other kinds of non-financial support in order to make use of the financial services they receive.

Secondly, there has been very limited research into understanding the effectiveness of an integrated micro-finance model (finance plus) and how useful such as model would be for the institutional micro-finance providers and their micro-finance clients (micro-entrepreneurs). This research sought to fill this gap by contributing knowledge to integrated micro-finance theory and ultimately providing further insight into the theory of micro-entrepreneurship. This study therefore will be helpful to future researchers investigating the link between the integrated micro-finance model and its contribution to micro-entrepreneurship development.

In regard to practice, there are a number of important implications. The findings from this study showed significant implications for financial institutions. Grameen II's group-lending methodology and its financial products could be replicated by the institutional micro-finance providers in Cambodia to address a wide range of issues in the Cambodian micro-finance sector. These include filling the gaps in financial services, providing more flexible loans and savings products, addressing the issues of group guarantees or collateral-based lending, and delivering low-cost non-financial services to micro-entrepreneurs through the use of Grameen II's group-lending methodology. Overall, if the Grameen II micro-finance model were to be successfully put into practice as an integrated micro-finance model, institutional micro-finance providers in developing countries such as Cambodia would be able to play a significant role in the creation of flexible and accessible financial and non-financial services to micro-entrepreneurs. This would in turn increase self-reliance for micro-entrepreneurs, who can act as engines of employment growth to further millions of poor people, and provide the underpinning for Cambodia's economic reconstruction.

Given that this research concentrated on the replication of the Grameen II micro-finance model as a cost-effective integrated delivery model for micro-entrepreneurship development, future researches should concentrate on the feasibility and viability of such an integrated delivery services model, and what best practice looks like. The detailed workings of this Grameen II integrated delivery services model need greater illumination, and the perspectives of the clients toward such an integrated delivery services model need greater articulation. It is hoped that other researchers will build on the base that this research has laid, and move this analysis forward in another national context other than Cambodia's in order to gain a worldwide perspective, so that practice can move forward on a sounder base of knowledge and experience.

HOW DO SMES TACKLE GROWTH WHEN GROWTH IS PERCEIVED AS PROBLEMATIC? AN EXPLORATORY STUDY OF TWO RETROSPECTIVE LONGITUDINAL CASE STUDIES

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Principal Topic

This study investigates how small and medium-sized enterprises (SMEs) tackle growth even though they have no intentions to grow, perceive growth as problematic, and even actively try to prevent or constrain firm growth. The study is based on two longitudinal in-debt qualitative SME case studies, showing how organic unintended growth is tackled differently by two business owners over a period of more than ten years.

There are numerous definitions of firm growth (Davidsson and Wiklund 2000, Senderovitz, 2011). In this study, we primarily focus on firm growth measured at the micro level using employment as our objective measurement criterion (Delmar, 1997; Shepherd and Wiklund, 2009).

A large number of studies of firm growth based on SMEs have been published (Davidsson, Achtenhagen and Naldi, 2010). Thus we know a great deal about what drives growth or what creates barriers for growth – factors that can be external or internal in relation to a firm. The majority of these studies, however, are mainly concerned with the potential growth and development of a firm or with the individual managers' achievements (Davidsson and Wiklund, 2000) and thus primarily focus on how to understand, manage, and enhance firm growth. In this 'growth literature' there seems to be a belief that growth equals venture success (Delmar, 1997) – a 'pro growth' bias that is especially pronounced in entrepreneurship literature (Davidsson et al. 2009; Senderovitz, 2011).

Little is known, however, of how SMEs tackle growth in situations where their organisation is growing organically despite their lack of growth intentions and where, in fact, growth is perceived as problematic or unwanted by the business owners. Some researchers (e.g. Penrose, 1959/95; Burns, 1994; Vickery, 1994; Davidsson, 1989) focus on why SMEs remain small and do not grow, showing that managerial capacities or managers' growth intentions have a positive impact on firm growth. However, these studies seem to disregard SMEs that grow reluctantly or even try to prevent growth. So it seems there is a gap in the literature of growth in terms of how growth is tackled by SMEs in situations where their organisation is growing even though they perceive growth as problematic and make efforts to constrain and prevent it.

Method

Our study employs two longitudinal in-debt qualitative case studies that show different considerations over time as to how and why business owners try to prevent, constrain, and delay growth opportunities. Our data combines several interviews and official quantitative company data. The two longitudinal case studies contain thorough qualitative and quantitative information, which allows us to explore and develop empirical and theoretical insight into the subject of firm growth: an approach that is recommended when issues are complex (Yin, 2003) or in situations where little is known about a topic (Carson et al., 2001). Choosing a longitudinal case study approach thus allows the team of researchers to develop new theoretical knowledge through empirical insight into what firms do when organic growth happens without growth intentions and when growth is perceived as problematic. In addition to the empirical investigation, a thorough literature review was conducted in the field of business growth. This approach enables us to answer the research question of: *How do SMEs tackle organic growth when no growth intentions are prevalent and growth is perceived as problematic?*

Results and Implications

The study is still in the exploratory phase so it is not yet possible to make any definitive statements of our findings. However, the work is well in progress and will be completed within conference deadlines. The preliminary results are very informative and promising, showing that business owners try to tackle growth opportunities over time in various ways: Sometimes business owners are successful in preventing growth or at least restricting organic growth, whereas at other times they are forced to grow even though they perceive organic growth as problematic for their firms. The results bring forth new information concerning three aspects: 1) why business owners perceive growth as problematic and why they lack growth motivation, 2) how business owners cope with growth opportunities and prevent organic growth, i.e. which coping strategies they employ, and 3) why business owners are forced to grow even though they lack growth ambitions, i.e. in what situations growth is unavoidable.

Our study shows that some SMEs see growth as problematic and only reluctantly engage in growth: Growth is perceived as a disturbing and damaging factor. In fact, they only initiate growth if no other options are open to them. Our study shows that growth is seen as risky and potentially damaging for the financial and organisational situation and even for product quality and customer service, but that it may be unavoidable – paradoxically – in order to develop and internationalise customer service and keep developing the firm's products or services.

Our main contribution is to discuss and clarify the owner-managers' dilemma of growth is problematic versus growth is necessary and thus uncover the gap that exists in the entrepreneurship growth literature concerning how SMEs tackle growth even though they lack growth intentions and perceive growth as problematic.

STOP WHINING AND MAKE THE BEST OF IT: A CROSS-NATIONAL COMPARISON OF RESPONSES TO REGIONAL DISADVANTAGE IN THE WINE INDUSTRY

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Principal Topic

The last twenty years have seen a proliferation of research – across several disciplines – on the characteristics and processes of “regional advantage” in competitive dynamics (Saxenian, 1996; Cooke, 2003). To the extent that this research has attended to areas lacking discernible or specific regional advantages, it has treated relatively disadvantaged regions mostly as a less fortunate backdrop to advantaged regions, and has attempted either to explain differences in the development of advantages, to discern government interventions that might help to develop advantages, or to explore in detail the nature of the benefits conferred on firms located in advantaged regions. Across many industries characterized by centres of regional advantage, however, much of the industry and entrepreneurial activity takes place in less advantaged areas. The existing body of literature tells us a great deal about the structure, processes and effects of regional advantage, but little is known about how firms in industries operating outside of these centres might respond to – and attempt to overcome – the challenges of being in the “wrong place.” In a study of wine entrepreneurs operating in the wrong place on two continents, we explore patterns in the emergence and role of resourcefulness in overcoming regional constraint.

Resourcefulness can be defined as making productive use of limited resources and constrained environments (Powell, 2011) and include in the body of relevant literature work on a variety of topics, such as “bricolage” (Baker & Nelson, 2005; Garud & Karnoe, 2003), “bootstrapping” (Bhidé, 2000; Winborg & Landstrom, 2001), “improvisation” (Baker, Miner, & Eesley, 2003), “effectuation” (Sarasvathy, 2001), “ingenuity” (Homer-Dixon, 1995) as well as work on related issues such as the role of “slack” in performance (Cyert & March, 1963; George, 2005). While virtually all relevant prior work has focused on “constrained environments” in terms of ordinary “input” resources, based on our initial observations we expect to see a much richer array of environmental disadvantages, including intractable physical and technical disadvantages, institutional disadvantages, and their intersection. Our study explores the decade long and ongoing attempts of wine producers in two relatively disadvantaged wine regions - to find ways to deal with and overcome some of the disadvantages they face through ingenuity and resourcefulness.

Method

Our research context is viniculture in two regional settings - North Carolina, USA and Queensland, Australia. The viticulture regions in North Carolina and Queensland are particularly suitable contexts for studying regional disadvantages for three reasons. First, wine consumers – not only connoisseurs – are highly aware of which branded regions have a reputation for quality products and this expectation of good wine does not extend to either North Carolina (NC) or Queensland (QLD). Second, traditional government support for development of the wine industry has been somewhat haphazard, with limited consistent programs developed for the regions. Third, neither North Carolina nor Queensland is physically located in a “traditional” agricultural region for growing grapes for wine. Historically, each setting has successfully emerged from almost a small base, and is geographically remote from traditional wine-growing regions. Both have experienced tremendous growth. The number of vineyards in NC has quadrupled in the past 10 years and the industry is growing after nearly a century of stagnation. Queensland’s modern era of winemaking dates only to 1994, and its largest vineyard began in 1998. Both settings are focusing on innovation and industry growth.

Method

We inductively develop theory (Glaser & Strauss, 1967) as resourcefulness is an emergent theme in the literature. We use theoretical sampling to conduct in-depth comparative case studies (Eisenhardt, 1989; Yin, 2009). We sample four initial firms in each state, for a total of eight wineries, from complete lists of wineries of the respective industries. We are generating case reports for each firm based on primary data collected through observations and interviews of the founding entrepreneurs of the firms, interviews with additional stakeholders of the industry such as government officials and scientists, and also secondary data available about each firm. Our interviews with the entrepreneurs and stakeholders are evolving from an unstructured and exploratory approach to a semi-structured questionnaire to supplement our interviews across all cases. We are planning to continue cross-case comparisons (Eisenhardt, 1989; Yin, 2009) of these case reports and continue to iterate between the results and the theory to discover patterns and variations among the firms and the behaviors to overcome the regional disadvantage.

Results and Implications

Our initial observations suggest a strong set of parallel and consistent responses to constraints between Australia and the US. For example, at the level of individual wineries, we have seen a variety of resourceful coping behaviors that help struggling young firms to deal with a variety of physical and human capital constraints. Another common pattern is the attempt to obscure and minimize the role of institutionalized standards and tastes by producing “obscure wines” for which most people lack a sense of how it “should taste.” We are developing grounded theory that describes ingenuity, resourcefulness – and the success or failure of these – among firms operating in areas of relative regional disadvantage. Our work makes a number of contributions to the emerging body of research that studies ingenuity, entrepreneurship, innovation, resourcefulness and resilience in resource-constrained environments. We also contribute to the literature on regional advantage by exploring the behaviors of firms in the “other” places.

ENTREPRENEURSHIP AS EMANCIPATION: DREAM OR REALITY FOR FEMALE ENTREPRENEURS?

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Principal Topic

In a recent thought-provoking essay, Rindova, Barry and Ketchen described entrepreneurship as an emancipatory act; that is, as an endeavour in which “individuals seek to disrupt the status quo and change their position in the social order in which they are embedded—and, on occasion, the social order itself” (2009: 478). For decades, many women’s entrepreneurship scholars have portrayed female self-employment in a similar manner. Within feminist writing, in particular, the influx of women into entrepreneurship is characterized as an exodus from discriminatory labour market practices, motivated by a desire to break free from the constraints of either hierarchical and androcentric workplaces or unrecognized and unpaid domestic work (see, for example, Calás, Smircich and Bourne, 2009; Hughes, 2003; Weiler and Bernasek, 2001). Entrepreneurship, it is argued, offers women greater flexibility for organizing their home and work lives—and thus the opportunity to achieve a greater sense of personal fulfillment, perceived equity in the division of household labour and work-life balance. Although a considerable body of empirical work supports the claim that women within industrialized countries in particular are especially motivated to pursue an entrepreneurial career in order to attain a better balance between work and family (e.g., DeMartino and Barbato, 2003; Hughes, 2005; Jurik, 1998; Scott, 1986), whether this balance is attainable in reality is more debatable.

We examine two questions related to this issue, motivated by Rindova et al.’s distinction between an entrepreneur’s “*dreams* for autonomy and change” and the “processes through which these dreams ... may be accomplished” (2009: 479; emphasis added). The first, process-related question draws attention to time expenditures within household and business domains; more specifically, to the importance of ‘freedom from’ responsibilities within the former in order to possess sufficient ‘freedom to’ work within the latter. Here we ask:

Research Question #1. *To what extent are female entrepreneurs similar to their male counterparts in terms of freedom from domestic responsibilities and freedom to spend time on their business?*

The second, outcome-related question draws attention to the micro-level, psychological outcomes associated with the dream of entrepreneurship as a form of emancipation for women. Such envisioned outcomes include increased personal fulfillment, greater fairness within the division of household labour and enhanced work-life balance. Here we ask:

Research Question #2. *To what extent are female entrepreneurs similar to their male counterparts in terms of fulfillment in the business and family spheres, perceived equity in household arrangements and feelings of work-life balance?*

Method

To explore these questions, we utilized data collected from a regional stratified sample of small business owners in a province of Western Canada in 2004. 91 women and 72 male entrepreneurs completed the survey (a response rate of 27 percent). In addition to the survey data, we used secondary data on average sales reported within the InfoCanada directories for the year in which the survey was conducted (2004) as well as the prior year (2003) as control variables in our model. We examined the two research questions through bivariate comparisons using means-difference or chi-squared tests, followed by multivariate analyses. OLS regression was used within most of the multivariate analyses because our data were primarily cross-sectional and most of our covariates were relatively normal following re-coding.

Results and Implications

With respect to the first research question, our analysis indicates that the female and male entrepreneurs were similar in terms of the amount of time spent on their business ventures as well as that devoted to household tasks. With respect to the second research question, we found that although the female entrepreneurs were just as satisfied as their male counterparts with their business, family and life overall, they were significantly less likely to perceive their household arrangements as fair and to be satisfied with their work-life balance.

Thus, in response to the overarching question posed within our study’s title, our findings suggest that emancipation is likely to be partially a reality—yet partially still a dream—for female entrepreneurs at the start of the new millennium. Though female entrepreneurs in highly industrialized and relatively egalitarian countries such as Canada may have attained the vision of comparable freedom from time spent on household tasks as their male counterparts—and thus comparable freedom to spend time working on their business ventures—the achievement of this dream comes with psychological costs. We suspect that this may be due to entrenched gender-stereotypic role expectations held by the women business owners themselves.

EXIT STRATEGIES AND PREFERENCES OF FEMALE ENTREPRENEURS FOR VENTURE FINANCING

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Principal Topic

While entrepreneurs do not deliberately choose to fail, they may deliberately choose their exit strategies. Prior studies have examined why firms started by female entrepreneurs originate with smaller capital outlays and have less growth than firms started by male entrepreneurs (Minniti, 2010). There are often careful trade-off decisions made by female entrepreneurs about their venture financing options and their exit strategies. For instance, the intentions of female entrepreneurs to promote or constrain the growth of their firms is suggested to be influenced by work-family conflicts (Jennings & McDougald, 2007) and the higher value that female entrepreneurs place on self-fulfillment over profits as a measure of success (Buttner & Moore, 1997). These trade-offs have not been extensively investigated in the literature and provide the basis for our research (cf. Morris et al., 2006).

The present study provides an empirical investigation that links the exit strategies of female entrepreneurs who are in different stages of the entrepreneurial process to their preferences for financial capital structures that comprise different combinations of bootstrapping, venture capital, owner equity, friends and family, bank debt, and institutional sponsorship (i.e., grants).

Method

We will use the intentions model (Krueger et al., 2000) and conjoint analysis in this study. The intentions model examines how the exit intentions of female entrepreneurs influence their venture financing behaviors during the startup phases of their firms. Intention models have been argued to be well suited to the entrepreneurial domain because of the time lags and uncertainty of the entrepreneurial process (Krueger et al., 2000) and because these models have been shown to be predictive of entrepreneurial behavior (Ajzen, 1991; Shapero, 1982; Krueger et al., 2000). Conjoint analysis is ideal for studying the judgment and decision making components of the entrepreneurial process. Conjoint analysis is a decompositional research method that provides researchers with the capability to parse out the preference structures that underlay the decision making process (Lohrke et al., 2010).

The proposed sample is female entrepreneurs from the WISE conference that is held annually at Syracuse University. The WISE Conference (Women Igniting the Spirit of Entrepreneurship) is held by the Entrepreneurship & Emerging Enterprises Division of Whitman School of Management at Syracuse University. The annual attendance at the conference is approximately 1100 women entrepreneurs and the database of contacts from prior conferences consists of over 3000 contacts. The conjoint analysis in this study is based on ratings of venture financing profiles, each consisting of five sources of venture financing (bootstrapping techniques, venture capital, owner equity, bank debt, grant sponsored) varied across 4 capitalization levels (high, moderate, low, none). The utility of different financing sources are calculated relative to the global preferences of the female entrepreneurs.

Results and Implications

Whereas prior literature has tended to focus on the actual and/or perceived financial barriers to the growth and exit of female entrepreneurs, the findings of this present study shifts the focus from environmental factors that impose external constraints on the financial capital structures of female owned ventures to the internal preferences that female entrepreneurs have for the financial capital structure of their ventures. In particular, this study provides empirical evidence of the trade-off decision between exit strategy (continuation, harvest, or liquidation) and the preferences of female entrepreneurs for capital structures that consist of internal (personal savings, retained earnings) and external (bootstrapping techniques, venture capital, owner equity, bank debt, grant sponsored) funding sources.

BUSINESS REGULATION: BOOST OR BURDEN OF ENTREPRENEURSHIP?

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Principal Topic

There has been growing recognition amongst policy-maker of the importance of the competitiveness in small businesses. By improving and simplifying the business regulation governments try to boost business environments and the competitiveness of small firms. Prevailing legislation is a significant factor in the operating environment for the small firms (Harris 2000). Regulation is part of the taken-for-granted world of owner-managers until it becomes time to amend legislation. Some studies have reported that small firms' owner-managers attitudes even preference for informality and an antipathy towards regulation (Vickers et al. 2005). On the other hand, reform of legislation changes business practises and firms operational environment; therefore regulatory change causes most concern for owner-managers (Edwards et al. 2004). In the majority of cases the regulatory burden on entrepreneurial and small firms is relatively high (Levie & Autio 2011). Regulation has no effect at all unless owner-managers change their behaviour as a result of it. Besides regulation does not have uniform consequences for small business owner-managers: everything depends on how owner-managers adapt to regulatory change. (Kitching 2006) If the regulatory change is minor, owner-managers might prefer to continue business as before because there are no intensives to reform owner-managers business practises (Arrowsmith et al. 2003). Vickers et al. (2005) found four-fold typology by which businesses can be differentiated in terms of attitudes towards regulation; Avoiders/ Outsiders; Reactors, including the sub-categories of Minimalists and Positive responders; and Proactive learners. Whereas Arrowsmith et al. (2003) demonstrated three distinctive sets of responses: "implement", "ignore" and "critical event".

Defining regulatory burden in tax literature most commonly used term is compliance costs although there is no definition of total compliance costs that has gained wide acceptance. Differences on whether certain elements should be in the calculation of compliance costs have been reported, but some costs (for instance psychological) are difficult to measure and quantify. Kitching (2006) stated that measuring compliance costs do not tell us how or why owner-managers adapt to regulatory changes and most quantitative surveys report that regulation has impeded firms' expansion rather than assisted it. Several studies have also argued that regulation is a key barrier to business growth and performance (Vickers 2006, Kitching 2006). Kitching (2006) pointed out that business burden studies remain at the level of what small business owners think about regulation, but not what they do to adapt it. In addition, many business burden studies do not consider the potential benefits of regulation to small-business owners; there is a need to balance business burden- view with some recognition of the benefits of regulation for business owners. However, there is only little evidence that explore how regulation can enable or motivate owner-managers to act with the aim of improving business performance. In our paper we will create a framework for understanding owner-manager attitudes and decision-making policy towards for example tax legislation or the Finnish Limited Liability Companies Act which emphasises owner-managers varying characteristics and motivational bases.

Data and Method

The empirical data were drawn from a mail survey conducted in autumn 2008 by means of a structured questionnaire. The initial population consisted of small firms in southern Finland with a sales turnover between 1 and 10 million Euros. The data was analyzed in a multiple industry setting because of a greater generalizability. A total of 17,593 firms were identified from the financial statement database Voitto+, and a systematic random sample of 2,039 firms was drawn. The pre-tested survey questionnaire and an introductory cover letter were mailed to the respondents, who were assured of confidentiality and promised a summary of the results. A reminder was sent to those who had not responded within two weeks. Final responses were received from 411 companies, yielding a satisfactory effective response rate of 20.16% (411/2,039). Financial information on the companies was available via Voitto+ database; these financial measures are based on the financial statements of years 2006-2009. Although we used firms' financial information, anonymity was ensured because the data were analyzed and reported in a format preventing the identification of individual respondents or their businesses.

Results and Implications

The preliminary results of our study contribute previous literature several ways and have also some implications for practitioners. The preliminary analyses reveal that the owners of small business are not very well aware of the central tax or corporate legislation and they are strongly dependent on external advisors. For example the Finnish limited Company Act contains several limitations to profits distribution (e.g. balance sheet and solvency tests), 80 percentages of owner-managers were not aware of these limitations at all. The corporate taxation is very complex in many countries and also in Finland. About 50 percentages of the respondents of our survey disagreed to the statement that corporate taxation is simple. Almost half of the respondents had opinion that the corporate taxation in Finland is to a certain extend unfair and only one third agreed that tax authorities try to maintain entrepreneurship in their actions. Over all, because of owner-managers need strongly external advising in the tax and corporate act issues, it can be said that complex legislation increase direct and indirect compliance costs and may even cause business burdens. It is also possible that the justness of the legislation may endanger. Especially in the business environment the justness of the legislation is quite strongly dependent on how well external advisors (e.g. accountants or auditors) are aware of complex legislation. We can assume that there are differences in their awareness and professional skills.

DO BALANCED SKILLS HELP NASCENT ENTREPRENEURS TO MAKE PROGRESS IN THE VENTURE CREATION PROCESS?

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Principal Topic

Entrepreneurship is an important driver of the economic development. New ventures serve as conduit for the diffusion and exploitation of knowledge and contribute to economic and job growth. However, in order to have an impact on the economy new ventures must be founded in the first place. Contrary to popular opinion, this is not an easy task but a demanding and complex challenge. According to data from the Panel Studies of Entrepreneurial Dynamics, a large-scale survey on the emergence of new firms, only one out of three nascent ventures get up and running (Reynolds, 2007).

But what makes a successful nascent entrepreneur? In order to answer this question a great deal of research has focussed on (potential) entrepreneur's human capital. Grounded in economics (Becker, 1964; Schultz, 1980), human capital theory posits that investments in skills and knowledge pay off in terms of getting a nascent venture up and running (Davidsson and Honig, 2003). However, recent studies report low correlations between traditional human capital indicators and (nascent) entrepreneurship success (Davidsson and Gordon, in press; Unger et al., 2011). One reason for these disappointing results might be traced to the logic that skills and knowledge gained from education and on-the-job-training can also relate to superior performance in paid employment. In search of a distinctive set of skills and abilities as the "essence" of entrepreneurial human capital, Lazear (2005) recently proposed a theoretical model highlighting the importance of a balanced skill set for entrepreneurs. The author's basic proposition is that entrepreneurs have to be competent in many skills in order to be able to combine different resources (physical and financial capital), people and ideas in the most efficient way and to successfully run a business. Previous research emphasizing this "jack-of-all-trades" view has primarily focused on vocational choice (Lazear, 2005; Silva, 2007; Wagner, 2006). Accordingly, people with a balanced skill set are more likely to engage in entrepreneurship.

Our paper expands this literature by applying Lazear's idea to the thorny task of setting up a new venture. Generally, the process of new venture creation is conceptualized as a sequence of undertaken gestation activities, for example writing a business plan, developing the product/service and registering the new venture in an official business register (Reynolds, 2007). We expect that nascent entrepreneurs with a more balanced skill set are more successful in terms of making progress in the venture creation process at a higher pace compared to nascent entrepreneurs with a less balanced skill set.

Method

The data for our analysis stems from the Thuringian Founder Study (TFS), a German research project on determinants of successful entrepreneurship. The project focuses on innovative entrepreneurship (technology-oriented and knowledge-based start-ups). One part of the TFS is dedicated to the examination of innovative venture creation projects via a longitudinal survey. Across two measurement occasions (over a period of 12 months), these nascent ventures were followed along the founding process. In the present study, a nascent venture refers to an active start-up attempt which has not yet achieved positive cash flows and is not listed in an official business register (Brush et al., 2008; Davidsson and Gordon, in press). Using this definition, the nascent ventures in our sample were recruited from several sources, including suppliers of advisory services, business incubators, business angels, venture capitalists. We measure progress in the venture creation process with two variables. First, we use the number of gestation activities undertaken between the start of the project and the T1-interview and second the number of gestation activities undertaken between the T1 and T2-interview.

For this paper we chose venture as the level of analysis. Accordingly, all variables regarding skills and experience either reflect the sum of years of experience across all founders or the number of founders who possess a particular type of experience. Following previous research (Lazear, 2005; Wagner, 2006), the calculation of our indicator of *balanced skills* draws from the functional experiences that nascent entrepreneurs' have acquired prior to the first steps in the venture creation process. The number of functional categories in which the founders of a nascent venture project had prior work experience served as the main independent variable.

Results and Implications

Our initial analysis of the data reveal balanced skills shows a positive and highly significant correlation with the number of gestation activities undertaken prior to T1 and between T1 and T2. Other indicators for human were not related to making progress.

This paper contributes to the field of entrepreneurship in at least three ways. First, we show that nascent entrepreneurs with experience in many functional fields enjoy a head start in the venture creation process and continue to make more progress later in the process. In the light of work from Lazear and others, this suggests that balanced skills are an important success factor throughout the entrepreneurial process.

Second, this research therefore offers practical implications for nascent entrepreneurs. Knowing whether a more balanced skill set pays off can guide an entrepreneur's decision when investing in their own skills or when choosing team members with complementary skills.

Third, the question whether entrepreneurship can be taught and what should be included is of central importance for entrepreneurship education – a field which is rapidly expanding. Our results offer guidelines for suppliers of entrepreneurship education to adjust their curricula.

IF WE DARE TO CHALLENGE TRADITIONAL NOTIONS OF CREATIVE IDEATION WHAT MIGHT BE THE IMPLICATIONS FOR ENTREPRENEURSHIP?

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Principal Topic

The creation of ideas is a fundamental entrepreneurial behaviour. Creative solutions are considered to be a key element of entrepreneurial success, creative application of ideas is critically important and the recognition of opportunities by entrepreneurs is considered to be a 'product' of an entrepreneur's personal creativity (Mazzarol et al 2009, Walton 2003).

Entrepreneurship researchers consistently view creativity as an indispensable element underpinning the entire process of entrepreneurship and while the creation of an idea is not the same as recognising an opportunity, without 'an idea' being created in the first instance, it is questionable as to whether the opportunity could ever start to exist (Zhou 2008, Hayton and Cholakova 2011). There is therefore considerable interest in how entrepreneurs think.

Within this domain of 'entrepreneurial cognition' several theories have emerged. These include effectuation theory that suggests 'effectual' entrepreneurs prefer to imagine what might be possible rather than analytically forecast what might happen (Mitchell et al 2007, Sarasvathy 2004). Despite this interest in entrepreneurial thinking little is known however, about the actual 'pathways' of entrepreneurial thought and entrepreneurial creativity in particular (Mitchell et al 2007).

After considerable investigation of papers devoted to entrepreneurial creativity, it is evident entrepreneurial researchers often rely on and frequently refer to creativity research per se, where there has been a long tradition of core assumptions regarding creative ideation, particularly the belief that finding creative solutions is an intuitive process of sudden insight, not easily controlled or regulated by an individual (Claxton 2006, Clapham 2003, Klausen 2010).

This assumption was formalised when Wallas devised his four-stage model for creative problem solving with the 'illumination' stage being the sudden and unpredictable 'ah-ha' that comes after a period of unconscious 'incubation' of a problem that may have lasted for weeks (Lubart 2001, Perkins 2001, Welling 2007). The Wallas model has become the theoretical foundation for Western studies on the nature of creative problem solving and many theories have emerged for sub-processes and techniques associated with this model, including brainstorming (Lubart 2001, Orlet 2008, Ross 2006, Vidal 2009, Welling 2007).

Lateral thinking however, sits outside this traditional perspective on the nature of creative ideation. In the 1960's Edward de Bono proposed a theoretical model explaining why the human brain as a self-organising information system is not naturally creative and invented both the term and the tools of lateral thinking as systematic techniques for creativity, based on this model (Braunstein 1999, de Angelo 2005, McCormack 2005). Subsequently de Bono's "discovery model of lateral thinking" has been described as a "heresy", because it challenges the orthodox paradigm of Western theories of creativity (Rickards 1999, 97).

Despite the process of creative problem solving being formally described by Wallas in the 1920's, creativity research has not yet resolved fundamental questions about how new ideas are generated (Estes and Ward 2002, Griffiths-Hemans and Rover 2006, Runco 2004). In comparison to this lack of knowledge, the paper explores the results of new research focusing specifically on what happens when lateral thinking is used instead of traditional techniques such as brainstorming.

Method

The paper provides the result of a grounded theory study involving 31 West Australian small business owners who used authentic lateral thinking during rethink, a 15 month small business training programme funded by the Australian Government. Participants were selected for rethink after demonstrating an entrepreneurial disposition during an interview. They were trained then coached in the application of authentic lateral thinking during fortnightly coaching sessions. The term 'authentic lateral thinking' is used in the paper to distinguish between popularised misconceptions of lateral thinking and the original term, tools and processes invented by de Bono.

The study commenced by asking participants: What happens when you use lateral thinking? Data collection and analysis was conducted as an iterative process using the grounded theory constant comparative method with data collected in the form of semi-structured interviews and 'flowscape', a method for mapping participant perceptions. The model for Creativity-on-Demand detailed in this paper subsequently emerged from the data using an independent-dependent variable theoretical framework.

Results and Implications

The "mulling it over" step of incubation, as the cognitive process from which creative ideas emerge, has been accepted for decades as a fundamental process of creative ideation, where the problem is put to one side and then a solution "pops up" some time later (Prince 1967, 2). Studies of incubation with artistic creativity have cemented this process as being primary for the generation of new ideas (Welling 2007, 165). However the haphazard process of incubation and the unpredictable process of illumination, is completely different from Creativity-on-Demand, as presented in the paper. Using authentic lateral thinking tools results in an immediate *cognitive breakthrough* this, in the words of one research participant "jettisons me from a normal to new vast space that my mind becomes then it's ready for the new ideas to pop into that space – immediately". The paper will also explore significant differences between *cognitive breakthrough* and brainstorming.

Creativity-on-Demand challenges traditional notions of creative ideation and as such has major implications for entrepreneurial research in the area of entrepreneurial cognition where further research into the value of authentic lateral thinking could un-couple entrepreneurship's reliance on traditional creativity research and provide the platform for new research specifically focusing on the value of creative ideation on-demand, in relation to creating entrepreneurial opportunities in a highly unpredictable 21st Century knowledge economy.

THE RELATIONSHIP BETWEEN OWNER-MANAGERS' WORK VALUES AND ENTREPRENEURIAL ORIENTATION AND THE ROLE OF BUSINESS GOALS IN SMALL FIRMS – EMPIRICAL RESEARCH

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Principal Topic

During the last few decades, entrepreneurial orientation (EO) has emerged as a major construct within the strategic management and entrepreneurship literature. Covin, Green & Slevin (2006) define EO as a strategic construct whose conceptual domain includes certain firm-level outcomes and management-related preferences, beliefs, and behaviors as expressed among a firm's top-level managers. Runyan, Droge & Swinney (2008) argue that EO is evidenced through visible entrepreneurial tendencies toward innovativeness, proactiveness and risk taking. Miller (1983) and later on Covin & Slevin (1989) operationalized these constructs and see them as central to EO. According to Rauch et al. (2009) these dimensions of EO can be defined as follows: *Innovativeness* represents creativity and experimentation through the introduction of new products/services as well as technological leadership via R&D in new processes. *Risk taking* describes the nature of easily venturing into the unknown, borrowing heavily, and/or committing remarkable resources to ventures in uncertain environments. *Proactiveness* is an opportunity-seeking, forward-looking perspective characterized by the introduction of new products and services ahead of competition and acting in anticipation of the future demand. Typically, within the EO literature studies have focused on relationship between EO and firms' performance and several studies have found this relationship to be positive (Madsen, 2007; Wiklund & Shepherd, 2005; Jantunen et al, 2005).

Owners of small businesses have a strong influence on the firm's strategy. The focal role of the owner-manager has long been recognized in the small business and entrepreneurship literature, and there is also empirical evidence that entrepreneurs are not homogeneous in terms of professional expectations or values. Numerous studies have demonstrated entrepreneurial performance in order to isolate values, motivations and other personal dimensions that are characteristic of entrepreneurs (Chaganti, Cook & Smeltz, 2002). The most frequently cited dimensions of work values are intrinsic vs. extrinsic values, while additional dimensions include *altruistic*, *status* or *prestige*, *social* and *freedom* values. These or similar value dimensions have been used in classifying entrepreneurs into the main types of *craftsman* vs. *opportunistic* (Smith, 1967). Also an early study of decision making values (Haberstroh & Gerwin, 1972) pointed out that the values used in decision making are not only the values of decision makers, but also the values of others to whom decision makers feel obligated to respond are very important. Viola (1977) found that if managers have defensive values, the strategy of the corporation was oriented toward survival. In contrast, if managers were characterized by aggressive values, the strategy of the company was more likely focused on growth.

Every entrepreneur is a heterogeneous individual, whose personal values are affecting his decisions making process while doing business. In our paper we investigate the relationship between owner-managers' work values and entrepreneurial orientation and also the effect of business goals (growth orientation, survival orientation) on EO. As mentioned earlier, typically, there is a positive relationship between EO and firm performance. Therefore, we find it important to try to identify the factors which are fostering this entrepreneurial mind set. We will explain the level of EO with set of work values and demographic variables such as age, education, gender etc.

Data and Method

The empirical data were drawn from a mail survey conducted in spring 2009 by means of a structured questionnaire. The initial population consisted of Finnish small private limited companies with a sales turnover between 1 and 10 million euro. A total of 13,495 firms were identified from the financial statement database (Voitto+), and a systematic random sample of 1,026 firms was drawn. The pre-tested survey questionnaire with an introductory cover letter was mailed to the respondents, assured of confidentiality and promised a summary of the results. A follow-up was sent to those who had not responded within two weeks. Final responses were received from 193 companies, yielding a satisfactory effective response rate of 19 %. Non-response bias was checked on a number of key variables by comparing the early (first-round) respondents with the late respondents, and no problems were detected. Another test for the representativeness of our data will be the comparison of respondents and non-respondents on financial information, which were retrieved from Voitto+ -database for the full sample of 1,026 firms. Factor analysis and multiple linear regression analysis were used as methods of analysis.

Results and Implications

The preliminary analyses reveal that owner-managers' work values and firms' business goals are significantly related to EO. The results of our study contribute previous literature several ways and have also some implications for practitioners. According to our results it can be said that the concept of EO is affected by several variables. On the other hand this means that when researcher try to identify the determinants of firms' performance, researchers have to be aware that this kind of multifaceted problem can not be solved very simple models. Therefore for example analyzing the relationship between EO and performance or growth, it would be very valuable to include in these models several moderating variables. Entrepreneurship and small businesses play crucial role in many national economies. Therefore governments try to boost business environments more suitable for entrepreneurship and the growth of businesses. Many of those measures of supports are not very focused to the certain branches or businesses. The results of our study indicate that entrepreneurs are overall very heterogeneous group and their motivations of their businesses vary significantly. Therefore for example different boosting methods provided by governments should be also more focused to the certain businesses or branches.

A FRAMEWORK FOR ACQUIRING THE RESOURCES VITAL FOR THE START-UP OF A BUSINESS IN SOUTH AFRICA: AN AFRICAN IMMIGRANT'S PERSPECTIVE

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Principal Topic

When a business idea is conceived, it is the entrepreneur who forges ahead with organizing and combining the resources necessary for the business to be started. Studies on immigrant-owned businesses have found certain owner characteristics to be instrumental in fostering the start-up and operation of immigrant-owned businesses. This bundle of entrepreneurial attributes also known as characteristics some argue, differ from that of the indigenous population. According to Kloosterman and Rath (2001:191), the composition of immigrants particularly from less developed countries is different from that of the indigenous population in that the new comers tend to differ in the bundle of resources (human, social, financial and cultural capital) at their disposal when compared to their counterparts. Against the backdrop of the fact that limited job opportunities force African immigrants into self employment and the fact that numerous challenges prohibit their businesses from taking off the ground, let alone grow, we set out to investigate how those successful acquired the necessary resources. We argue that most of those businesses that fail to take off or fail just after take-off do so because their owners did not have the right resource-mix, in sufficient quantity and quality.

Method

Using a triangulation of three methods, we devise a framework for the acquisition of the resources vital for the start-up of a business in South Africa. Within the quantitative paradigm, the survey questionnaire was used to collect and analyze the data. To compliment the quantitative approach, personal interviews and focus groups were utilised as the methods within the qualitative approach paradigm. Using the snow balling technique, a sample of 135 immigrant-owned businesses was drawn. Selected businesses had to be three or more years old. To avoid some of the inherent bias associated with snow balling, once a suitable respondent is found, such a respondent helps identifies at least two other ethnic businesses within that suburb, and the researcher randomly selects one for interview. Two approaches were used to arrive at the sample size of 135 immigrant-owned businesses used in this study. Firstly, a review of the following recent related studies: Basu and Altinay, 2004; Rogerson, 2004a; Tesfom, 2006; Heilbrunn and Kushnirovich, 2008; indicted that on average 118 sample size was used for these studies. All the aforementioned studies made used of the snowballing technique, and the interviews were conducted on a face to face basis. Secondly, in an attempt to justify and to ensure that the same size is big enough to give satisfactory results at a 95% statistical power, the G*Power software was used. Using G*Power 3.1.2 software, and striving to achieve a statistical power of 95%, a sample size of 134 seemed ideal (Faul, Erdfelder, Buchner, & Lang, 2009). While using the survey questionnaire as the primary data collection instrument, focus group discussions were used to supplement as well as to test the results of the survey. Two focus group discussions were held in which attempts were made to answer the research questions with particular emphasis laid on the out come of the survey questionnaire. Two groups of six and seven participants were drawn. Personal interviews were conducted with key informants, banks and SMME support organisations. The preliminary interviews conducted with key informants was informal and provided information that guided the planning and as well as the identification of the sample population. Furthermore, interviews with key informants like focus group discussion also provided a means of validating the survey results.

Results and Implications

The research revealed that an African immigrant entrepreneur is most likely to be a male between the ages of 19 and 41 who has been forced to immigrate by political circumstances. Once in South Africa, limited job opportunities forced these immigrants into starting-up a business. In order of importance, financial, informational, human and physical, resources were identified as being critical for the start-up a business. With respect to the acquisition of resources, African immigrant entrepreneurs unwillingly made use of personal savings to finance their businesses during the start-up phase of the business. Financial resource played a double role in that it determined the main sources of physical resources used. From a human resource perspective, African immigrant entrepreneurs preferred employing South Africans during the start-up phase of the business, and the reverse was true during the growth phase. To a limited extent family labour was involved at both the start-up as well as the operation phases of the business; with formal education and prior experience playing an indirect role as far as the human resources mixed were concerned. In terms of information, African immigrant entrepreneurs made use of two primary sources of information namely; their ethnic networks and friends from somewhere else.

Using a triangulation of three methods we were able to gleam an understanding of the circumstances that motivated immigrants of African origin to immigrate to South Africa and into starting their own businesses. We therefore conclude by proposing a framework (figure 1). We believe the proposed framework would provide the basis for proper self-evaluation for African immigrants wishing to immigrate to South Africa as well as for those settling in. Specifically, they would be able to gauge what resources in their possession would become critical if they decide to go the self employment route in South Africa.

THE ROLE OF TRANSPORT INFRASTRUCTURE IN FACILITATING THE SURVIVAL AND GROWTH OF MICRO-ENTERPRISES IN DEVELOPING ECONOMIES

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Principal Topic

Micro-credit and human capital development are the key ingredients to transform 'survivals entrepreneurs' into micro-entrepreneurs. However this represents just the first step of a process towards economic growth. The second step is to witness a portion of these micro-entrepreneurs develop into successful SMEs that can play a role in the formal economy.

Transport and logistics are essential to effective business. Very little is currently known about the impact on micro-enterprises of improved road networks in developing economies and whether improvements in this area would assist the very poor. Transportation is a necessity of economic life and supply chain issues are relevant to all businesses to be able to get their products to market, obtain the supplies they require and enable the customers to move around and choose their vendors.

The purpose of this paper is to take an initial look at the impact of a lack of road transport infrastructure on a number of micro-entrepreneurs operating in diverse industry sectors in a peri-urban context in Mozambique. These micro entrepreneurs seek to grow their businesses in a nation that has one of the least developed transport infrastructure systems in Southern Africa: road density has been estimated at 0.05 kilometre per square kilometre.

This paper aims to identify the impact of a lack of road networks on the growth and development of micro enterprises in a peri-urban area, in particular the city of Beira, a large urban centre in central Mozambique.

Methodology/Key Propositions

This paper draws on a comprehensive review of the existing body of literature related to road infrastructure and associated supply chain issues on the growth of micro-enterprises in developing economies. From data collected as the result of a review of one year of operating in Beira, Mozambique, micro entrepreneurs identified supply chain issues, particularly the cost of transport, has having a significant impact on the success of their enterprises.

A strong affiliation has been developed with Desperta Mozambique, an NGO that has successfully operated in Beira, Mozambique, for the past four years forging strong links with the local community and providing micro loans for over 30 micro-enterprises. The local staff provides access to the borrowers and offers translation services. The methods for this research include individual interviews with micro-entrepreneurs, and focus groups with the team at Desperta Mozambique and local community leaders with regard to the road infrastructure and possible solutions that would more adequately support the growth of micro-enterprises for the very poor.

Results and Implications

The result of this study is the identification of the impact of supply chain, particularly road transport, issues on very poor micro-enterprises. It also provides a range of recommendations about how these issues might be addressed.

Given the significance of road transport infrastructure as part of the supply chain this is an area that has been under explored, particularly in developing economies. Incubators and other activities established to assist start-ups and small enterprise growth in developed countries are invariably sited near transport infrastructure, but little is known about the impact on their success levels of not having this service readily available.

Most developing countries have poor transport infrastructure, other than the road and other transport infrastructure that services major industries such as mining. What is the impact of this on the poor in their attempt to establish sustainable businesses? What might be some of the solutions?

In beginning to answer this question, this research makes a major contribution to our understanding of the factors impacting on the successful growth of micro enterprises in developing economies.

THE INITIAL RESOURCE- PERFORMANCE RELATIONSHIP: INVESTIGATING THE MEDIATING INFLUENCE OF THE MARKET RESPONSIVENESS CAPABILITY

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Principal Topic

Since the seminal work of Cooper et al. (1994), the relationship between initial resources and new venture performance has been frequently studied (e.g. Bamford et al., 2004; Kessler, 2007). So far, however, empirics didn't succeed in demonstrating unequivocal performance effects of theoretically deemed valuable initial resources such as financial, human or social capital. A possible explanation for this is supplied by the capabilities perspective stating that it is not so much the access to or ownership of specific resources that matters for firm performance but rather how these resources are deployed within the firm to develop capabilities (e.g. Vorhies et al., 2009), hence suggesting that capabilities mediate the resource-performance relationship (Holcomb et al., 2007).

Capabilities have been referred to as the abilities of an organization to perform a coordinated set of tasks, utilizing organizational resources, for the purpose of achieving a particular end result, such as adaptation and growth (Helfat and Peteraf, 2003; Newey and Zahra, 2009). A capability considered crucial for firm success is an organization's ability to respond to changing environmental conditions (Homburg et al., 2007; Newey & Zahra, 2009). As organizational environments become increasingly unpredictable, dynamic, and complex, companies must constantly evaluate (the sustainability of) their competitive position and act if this position becomes endangered. As such, to survive and prosper, firms must at all times be able to appropriately respond to environmental changes. This is especially true for young firms given their general lack of buffers to overcome a period of organizational misfit with the environment.

In this study, we investigate whether and how three initial resources (human, financial and social capital) influence the development of a market responsiveness capability (MRC) in a later stage of the new venture's life and whether and how the MRC influences new venture performance. Doing so, we contribute to existing literature in two ways. First, this study contributes to a better understanding of the start-up process by examining how initial resources affect performance. Second, this study contributes to the further elaboration of the capability and resource-based literature. By examining the antecedents of the MRC, next to its outcomes, in a new business venture context, this study meets the complaint of several authors that the process of capability development has been an underresearched topic (e.g. McKelvie & Davidsson, 2009), as well as the complaint that most research and theory building on capabilities has focused on established companies (Zahra et al., 2006). Furthermore, by examining capabilities as mediators in the resource-performance relationship, we add to the integration of the resource-based and capability literature.

Method

We rely on a longitudinal sample of 153 start-ups that were less than 2 years old and employed at most 49 people in September 2003. At that time, we questioned these firms on their initial resources (human, financial and social capital). In 2006, a second survey was set out among these start-ups in which their MRC was measured. Both datasets were further completed with secondary data on the firms' financial performance in 2007, 2008 and 2009. To develop the measures for our survey we relied on existing scales and variables coming from previous research in market orientation and entrepreneurship literature. This working method guarantees the validity of the independent variables, enhances the reliability of the firm performance measures, excludes common method bias and accurately addresses the issue of causality. The data are also tested for different types of biases, i.e. survivor, attrition and non-response bias. Yet, no significant biases exist that could influence the relationships under study. The mediation model is tested by means of structural equation modeling.

Results

The results show that initial resources indeed influence new venture performance through the development of a MRC. Financial slack, management education, and formal network diversity are all positively related to the MRC, whereas management sector experience is not. Contrary to our expectations, the results show a negative effect of MRC on return on equity (ROE) in 2007. This implies that start-ups that are able to respond in a timely manner to changing competitor and customer behavior worsen their performance. It is possible that firms that constantly direct and adapt themselves to changes in the outside environment are not able to optimize their internal processes thereby jeopardizing their efficiency. Yet on the long term, theory predicts that adaptability is needed to safeguard survival. Hence, on the long term, a MRC should generate a positive effect on profitability, a prime determinant of survival (Pompe & Bilderbeek, 2005). Post hoc analyses in which the ROE in 2007 was replaced by the ROE of 2008 and 2009 show that this negative effect diminishes and becomes statistically insignificant in later years. Therefore, we expect that this effect will eventually become positive as time passes by.

Implications

Besides contributing to the relevant literature streams, this study provides guidance for new business managers. Start-ups that wish to be prepared to environmental shocks need to create a financial buffer, compose a highly educated management team and establish diverse formal network ties. Additionally, this study learns that, in the short term, adaptability will not necessarily lead to better efficiency. However, our expectation is that adaptability will pay off in the long run by keeping the firm in the market.

GROWTH ASPIRATIONS OF WOMEN ENTREPRENEURS

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Principal Topic

Women entrepreneurship contributes to economic growth is an uncontested fact. Global Entrepreneurship Monitor's (GEM) 2007 report on women entrepreneurship across the globe concludes that women's entrepreneurship matters: "Women are creating and running businesses across a wide range of countries and under varying circumstances. Female entrepreneurship is an increasingly important part of the economic makeup of many countries and might be a key contributor to economic growth in low/middle-income countries." (pp 40) However, the performance of women-owned firms with respect to chances of survival as well as in terms of sales, profit, and employments were found to be lower (Coleman 2007; Watson 2003; Rosa, Carter, and Hamilton 1996). Comparison studies, between men- and women-owned firms have also shown that firms owned by women tend to be smaller than those owned by their male counterparts (Du Rietz and Henrekson 2000; Cliff 1998; Fischer 1992; Fischer, Reuber, and Dyke 1993; Kalleberg and Leicht 1991). It has also been shown that women showcase a lower propensity towards growth (Menzies, Diochon, and Gasse 2004; Sexton 1989 (a&b)) and also grow less quickly (Cooper, Gimeno-Gascon, and Woo, 1994; Fischer et al 1993).

Furthermore, it has also been found that women entrepreneurs deliberately choose to stay small (Goffee and Scase 1985; Kaplan 1988; Lee-Gosselin and Grisé 1990). It is argued that 'quality-of-life' considerations, ie, maintaining a greater balance among work, family, and personal life, results in restriction of growth (Morris, Miyasaki, Watters, and Coombes 2006). It has also been seen that personal goals take precedence over business goals when it comes to expansion or non-expansion of women owned-businesses (Still and Timms 1999, 2000; Cliff 1998; Chaganti and Parasuraman 1999). Cliff (1998) found that women designated themselves a growth threshold an most times, these thresholds were lower than the ones held by their male counterparts; if the latter did have any growth threshold at all.

Growth aspirations are important to understand growth since the intent always precedes the performance of the behaviour (Ajzen 1991). Studies on intent-behavioural linkages in entrepreneurship research have been largely restricted to the decision to become an entrepreneur. Extant literature informs us that owner-manager's growth motivation and goals have direct effects on the firm's growth (Baum and Locke 2004; Baum, Locke and Kirkpatrick

1998; Delmar and Wiklund 2003; Kolvareid and Bullvåg 1996; Mok and van den Tillaart 1990; Wiklund 2001; Wiklund and Shepherd 2003; Davidsson, Achtenhagen, and Naldi 2005; Bellu and Sherman 1995; Miner et al 1994). Given this positive relationship and the specific case of women entrepreneurs, it is pertinent to understand the drivers of this growth aspiration. Davidsson (1989) looked at small firm growth as preceded by growth motivation. The growth motivation, he argued, is driven by perceived reality.

In this study, the author uses the theory of planned behaviour (Ajzen 1991) in order to understand the antecedents of growth aspirations of women entrepreneurs. The author tries to understand how a woman entrepreneur's attitude towards growth and her perceptions of her own abilities and immediate environment affects her growth aspirations. The study also looks at how the significance of the different roles she performs daily (mother, daughter, wife) has an impact on her growth aspirations.

Key Propositions

Using the framework of theory of planned behaviour and by analysing seven extensive interviews conducted by the author, the following key hypotheses were arrived at.

H1: Entrepreneurial Intensity is positively related to growth aspiration, i.e., higher the entrepreneurial intensity, the higher the growth aspiration.

H1a: Safety Net negatively mediates the relationship between entrepreneurial intensity and growth aspirations.

H2: Subjective Norms (attitude of the referent group toward the behaviour of the entrepreneur) is positively related to growth aspiration, i.e., higher the support received from the referent groups, the higher the growth aspiration.

H3: Entrepreneurial Self-efficacy is positively related to growth aspirations, i.e., higher the entrepreneurial self-efficacy, the higher the growth aspiration.

H4: The strength of the constructs varies according the most dominant identification of women entrepreneurs.

A survey will be conducted.

n of women entrepreneurs to get into business venturing. However, little attention has been paid to why women choose to continue and grow. Growth studies have largely restricted themselves to women's access to social-, human- and financial capital. This study addresses this gap. The implications of the study are:

Theory: Most studies analysing the cognitive variables have been restricted to the area of opportunity recognition in the field of entrepreneurship. In this study, the author has used the theory of planned behaviour framework to understand why women choose to grow or not to. The framework provides an apt lens to study women entrepreneurs' growth aspirations and thereby, increase our understanding of the phenomenon of growth of women-owned businesses.

Practice: This study attempts to throw light on the perception variables of women entrepreneurs and make them aware of their belief systems with respect to entrepreneurship. Understanding the direct effects of their perceptions on the growth prospects of their ventures can help them proactively improve their chances of achieving their growth potential.

Policy: Policy makers can appropriately understand the needs of different kinds of women entrepreneurs and target decisions according to their respective needs. Cliff (1998) showed that one size did not fit all when it came to men and women entrepreneurs. Similarly, this research hopes to show that one size does not fit all women entrepreneurs either.

SMALL BUSINESS OWNERSHIP AS AN OPTION FOR OLDER WORKERS: A GENDER COMPARISON

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Principal Topic

Globally nations are being presented with significant social and financial challenges as an increasing proportion of their populations reach retirement age. In Australia, currently 12 percent of the population is over 65. By 2021 this figure will be 18 percent and by 2051, 30 percent. It is not just the ageing of the population that poses serious challenges, but the economic consequences related to the risk of long-term unemployment and premature retirement. In parallel, self-employment or small business ownership has become increasingly accepted as a viable form of 'employment' to enter for this age group.

For women many issues associated with ageing, labour force participation and retirement are more acute as they typically have less accumulated wealth compared to men because many have not been in the paid workforce for the majority of their potential working life. Globally women have been, and remain, the primary care-givers and therefore continually have to balance work and family. A consequence of this is that women have often sacrificed their personal career trajectories and opportunities for wealth creation via employment to fulfil domestic responsibilities.

This has particular impact on older women, who historically have earned less and therefore have fewer savings. Starting a small business or becoming self-employed has been viewed by some older women as a potential option for financial security; however, this may not actually be the case. The question then emerged: is small business ownership a viable employment option for older women? And, do older women have the required managerial skill set to successfully operate a new enterprise?

Methodology

The research is based on 15 in-depth interviews with male and female small business owners from rural and metropolitan areas who, after the age of 50, decided to start their own business after always working in 'mainstream' employment. The business start-up literature on push and pull factors provides the theoretical framework that underpins the paper.

Results and Implications

The results presented in the paper indicate that previous work experience, the reasons for the cessation of previous employment, and the availability of relevant assistance and training opportunities have an impact on the viability of the business. In addition, levels of financial independence and lifestyle choices have a strong influence on the owners' future plans for their business, and the advice and assistance that they need.

Overall, older women were more inclined to feel that they were 'pushed' rather than 'pulled' into starting their own businesses, and many expressed a preference for mainstream salaried employment rather than the comparatively tenuous nature of self-employment. They were not necessarily therefore willing self-employment participants - which is then likely to have an impact on the overall success, or otherwise, of their new ventures.

As many of the interviewees did not feel they had sufficient 'business knowledge' to operate their new enterprise, there appears to be a lack of understanding of how to best advise and assist older people who select to choose self-employment as an alternative work option. Understanding the motivations for starting a business after a life of mainstream employment, and how the experiences and challenges may differ from other age groups, is essential in order to provide targeted and appropriate advice and assistance.

EXPLORING GENDER-RELATED PERCEPTIONS OF SUCCESS IN SMALL BUSINESS

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Principal Topic

Maslow stated in his original thesis of the *Hierarchy of Needs* that “If we are interested in what *actually* motivates us, and not in what has, will, or might motivate us, then a satisfied need is not a motivator. It must be considered for all practical purposes simply not to exist, to have disappeared” (Maslow, 1943: 393).

This study is not a return to Maslow's theory but it does highlight the reality that women in Small and Medium Enterprises (SMEs) may often have a different perception of success to men, perhaps based upon differing needs. On the basis of the existence of gender differences, the study compares the performance of businesses (and their male and female owners) against several extrinsic and intrinsic indicators. These indicators include turnover; lifestyle; perceived success; return on assets; growth intentions; capacity utilization; and profit per owner hour worked.

Success can be perceived and measured through the lens of both intrinsic and extrinsic motivation (Kuratko, Hornsby and Naffgizer, 1997). Small business owners do not perceive success as being solely a function of economic profit and growth (King, 2002; Jennings and Beaver, 1997 and Walker and Brown 2004). Further, it is evident that some of these differences in motive are gender specific (Still, et al, 2005; Walker and Soutar, 2005).

There is an assumption implicit in many benchmarking studies that all business owners (regardless of personal characteristics) will share the same or at least highly comparable success measures (XXXXX et al, 2008). However, this paper questions the validity of that assumption by examining the characteristics of female and male small business owners. A range of performance indicators is utilised that are broader than is typically the case in benchmarking research. Our general thesis for this study was that there would be significant and explicable differences between the performance measures of male and female business owners, which is of itself nothing new. However, we further proposed that by considering a wider range of non-financial measures of success that these differences in performance may be more apparent. We contend that it is the combination of financial and non-financial measures of success possible in this study that yields new insights into gender-related owner differences in SMEs.

Method

The paper reports on the analysis of 369 respondents who supplied data to develop a range of small business financial and non-financial performance indicators. The sample consisted of 110 (29.81%) female and 259 (72.19%) male respondents who own and operate Small and Medium Enterprises (SMEs). Since the key variable of interest in this study was a non-parametric variable (gender), the main analysis was relatively simple. The study utilised an independent samples t-test analysis of the mean responses of male v female owners for ratio level indicators of success and then used Chi-square comparisons of gender responses to a range of other non parametric indicators of success. The results were then compared to other similar studies in different contexts and both convergent and divergent results were reported. Some thematic analysis of open questions related to measuring success and to lifestyle impact was also undertaken, with the specific objective of developing a deeper understanding of the divergent responses of men and women.

Results and Implications

The results indicate that women were running businesses that had turnovers of 30% of their male counterparts. Female owned businesses earned only 24% of the quantum of profit of male owned businesses and female owners paid themselves just under forty three thousand dollars per annum, only 56% of their male counterpart. Women also had substantially fewer assets invested in the business with just 25% of the tangible assets of male owners. These results to some extent mirror earlier findings related to women owners of rural small businesses (XXXXX, 2008). Women were also less likely to want to grow their businesses beyond a few key employees. This finding contradicts the recent work of Breen (2010) on female Home Based Business owners, but this we propose is simply a result of sampling frame differences.

The main contribution of this study is that even in light of the relatively poor extrinsic performance of women, they perceive themselves as significantly more successful and as having significantly better lifestyle outcomes from their business. This may be due to the quite large gap in hours worked, nearly 47 hours per week for men versus 37 hours for women. It may also be the 10% lower capacity utilisation rate that translates into more leisure or free time.

Whilst this study certainly indicates that women perceive themselves to be much more successful and in control of their lives, we cannot (from the numbers) go beyond observing the numerically large and statistically significant differences that do exist between men and women. However, we are able to further illuminate this phenomenon via the qualitative commentary of perceived successful female owners in the full paper, shedding further light on this confluence of gender, growth, lifestyle and perceived success.

Returning to the spirit of Maslow's thesis, perhaps perceived success and lifestyle orientation reflect higher order needs that impact significantly on the future goals and motives of all SMEs. Further, perhaps women (more so than men) may well be quite advanced on their own self-determined intrinsic path to success? Certainly the indications from this study are that men and women have different perceptions of success that warrant further investigation.

NETWORKING WOMAN ENTREPRENEURS - FRUITFUL FOR BUSINESS GROWTH?

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Principal Topic

Companies run by women are mostly seen as a resource and an underdeveloped asset in our society. The Diana-group shows that companies run by women are underrepresented when it comes to accessing financial capital and performing business growth. There is also an on-going discussion if women entrepreneurs really are interested in business growth. The Diana-group has rejected this common myth, and other scholars shows that the growth ambition is more connected to other factors such as lines of business and capital access than to gender. Entrepreneurs have to deal with a variety of challenges regarding resource acquisition. Different phases have different challenges, for example from start-up to growth phase.

Access to resources is critical for growth. Beside access to risk capital there are other valuable resources for growing companies such as human capital and social capital. The most common dimensions of human capital are education and working experiences, while access to resources via personal relationships is characteristics for the social capital. Scholars are claiming that women use both their formal and informal networks in search for financial capital. Further, women's networks are more homogeneous than men's, and women also have more family and friends in their networks. Even though women involve their networks in building their business, there are some findings that show that women do not use their network contacts as effective as men. Several scholars are enhancing the importance of networking to stimulate enterprising.

Results from different studies shows that actors within networks, consisting of different and heterogeneous characteristics, tended to start new business in a higher degree than those with homogeneous networks. Further, women and men are using their networks in different ways and argue that women develop two kinds of networks, one "expressive network relationships" which meet the need for friendship and support and, one for "instrumental network relations" which meet the need for advice and insight in the organization.

Given the rationale of economic growth, women's "underperformance" is then positioned as a problem, and the possible reasons for this as something worth investigating in more detail.

As a result of the above discussion our working hypotheses includes an expectation that women who are eager to take part in networking express greater ambition for growth than those without this orientation.

The purpose of the paper is to explore what kinds of contacts and networks women see as supportive in their role as business leaders and for their willingness of business growth. The need for insight in these issues, are for example called upon from different scholars, e.g: *"If networks make a difference in starting a firm, we need to learn more about the network composition of female and male entrepreneurs"*. Thus our research questions are: 1. How differ women entrepreneurs in constructing their networks? 2. Are women participating in different kinds of networks more willing to strive for business growth compared to those who are not? Our approach is to investigate the context of women entrepreneurs' and the various kind of supporting social networks they are part of.

Method

The study referring to in this paper is conducted in two steps, first one questionnaire sent out to a broad group of women entrepreneurs and then a second questionnaire sent out to a selected group. The first questionnaire was sent out electronically to women entrepreneurs in August 2010 (Norway) and in September 2010 (Sweden). In Norway 4.681 questionnaires was sent out. From those 292 respondents were unsubscribed (announced that it was not relevant because of for example discontinued businesses, illness, male entrepreneur, don't want this kind of request) and 825 came back as mail delivery failure. In Norway therefore 3.564 questionnaires reached their relevant respondents and we got 715 answers, with a response rate of 20 percent. In Sweden 1.088 questionnaires was sent out. From those 109 respondents were unsubscribed and 170 came back as mail delivery failure. In Sweden therefore 809 questionnaires reached their relevant respondents and we got 198 answers, with a response rate of 24,5 percent. After taken away 14 male respondents we had a total sample from both countries of 899 answers from women entrepreneurs.

Results and Implications

The result shows that: 1) personal networks are seen as a more supportive asset than business networks, 2) personal contacts with other entrepreneurs are regarded valuable and 3) women entrepreneurs willing for new networking already have a more heterogenic network than those who don't express this willingness.

Without a relational attitude and the willingness to put oneself into a relational interplay, women entrepreneurs will have a hard time to succeed in growing their businesses.

This study is unique in three ways: First – combining different theoretical perspectives, such as RBV, network theory and relational network perspective, are seldom seen in entrepreneurial contexts. Second, by introducing the term "willingness", and discuss the effects related to this, and third, emphasizing how the women are exploiting their network in different phases, and the dynamic transformation related to this. These perspectives help us increase the understanding of network and growth in women owned enterprises.

DETERMINANTS OF CHINA'S REGIONAL INNOVATION CAPACITY

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Principal Topic

Innovation is widely considered as the core driver of a nation's economic growth and competitiveness. Since the 1980s, with the emergence of the concept of national innovation system (NIS), there has been a surge of innovation research employing this approach. Most studies in this area were based on comparative case studies employing qualitative methods. More recently, Stern, Porter, and Furman (2000) introduced the framework of national innovative capacity (NIC) to investigate the determinants of innovation capacity (IC) with quantitative approach. However, studying the phenomenon at national level may not be the best choice. In big countries, studies at the regional level is even more important and useful than at the national level (Edquist, 2004). Besides, as Tylecote (2006) argued that there are always dual technology systems in transitional countries.

China is one of the largest developing countries in the world and it is now in the transition process. Due to the history accumulation and special development path, the experiences and research results based on developed countries are not directly adaptable to China. Moreover, evidences show that similar to its uneven economic development, the innovation capacity (RIC) is unevenly distributed around the country. As the economic infrastructure and intensity of R&D investment differ between regions, substantial differences of determinants of RIC can be expected between regions. Based on this perspective, we are going to investigate the determinants of RIC in China and the differences of these determinants between regions.

Theory and Methods

This study adapts the concept of NIC developed by Stern, Porter, and Furman (2000) to the regional level of China. NIC is developed in terms of Romer's (1990) endogenous growth theory, Porter's (1990) cluster theory of national industrial competitive advantage, and Nelson's (1993) research on NIS. It consists of three main parts, common innovation infrastructure, the cluster-specific innovation environment, and the quality of the linkages between them. Here, RIC means the joint innovative ability of a region to produce a stream of commercially relevant innovations in the long run. What we focus on are some measurable variables from the framework of NIC.

Previous research has indicated that RIC will be influenced by institutional environment and the availability of various resources. In this study, longitudinal panel data from 1991 to 2009 for 30 administrative regions in China was collated from government records. Longitudinal research well serves the purpose of establishing the direction of causal relationships (Menard, 2002). In line with previous studies, domestic patents are used as the index of innovation capacity, for it can better reflect the entire spectrum of innovative activities in a country than international ones (Krammer, 2009). Data for two types of patents, innovation and utility patents, were used to provide a more nuanced view of regional innovation. To explain the development of innovation capacity, measures about financial input and human capital input on science and technology activities, international interaction, domestic interaction, and the number of innovative actors are employed as explanatory variables.

Cluster analysis and panel data regression are conducted to find the answers for our question. Hierarchical cluster analysis is employed to identify different patterns of innovation capacity development among regions, and to separate all the regions into different groups considering both dependent and independent variables (DV and IVs). Panel data regression with fixed effects are conducted investigate the determinants of RIC considering all the regions. Meanwhile, separate regression analyses for each group are to verify the differences of determinants occur between groups and examine what the differences are.

Results and Implications

From the analysis, we find that the 30 regions can be classified into three groups. Broadly, one group represents the highest and most rapid development of innovation capacity, a second moderate levels and the third group represents slowly developing regions. Overall, we find considerable differences in the drivers of innovation capacity between innovation and utility patents. There are also considerable differences across regions. Take the impact of domestic technology exchange for example. It is positively significant on invention patent grants but negative on utility patent grants, though not significant. For different regional groups, it is positively significant on invention patent grants in rapid and moderate regions, but it is negative but not significant on slow developing ones.

The results from this study extend the findings of previous research. Most importantly we demonstrate differences in the drivers of innovation capacity between different types of regions. The findings from clustering and comparison can help regions check which group it is in and find out which is more important for innovation development considering its status. This will provide implications for policy makers to develop appropriate innovation policies for the specific region to facilitate its development of innovation capacity and enhance its competitiveness rather than following the experience of the developed ones blindly.

GENDER AND NEW VENTURE OUTCOMES: NOT BETTER OR WORSE, JUST DIFFERENT

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Principal Topic

To ensure appropriate business goals, targeted services and helpful government programs, it is important for entrepreneurs, service providers and policy makers to know if, when, and how female and male entrepreneurs differ. Does 'one size fit all' or do we need 'different strokes for different folks'? From a review of the prior literature, Klapper and Parker (2010, p.7) conclude that 'women entrepreneurs tend to underperform relative to their male counterparts.' More recently, however, Robb and Watson (2010) report that for a large longitudinal sample of new firm start-ups in the U.S. there is no difference in performance outcomes by gender, provided appropriate performance measures are adopted and important demographic differences are controlled for in the analysis.

It is often difficult, because of data limitations, to undertake a robust comparison of gendered business performance due to the heterogeneous nature of entrepreneurship which requires the collection of many explanatory factors. Further, many studies examining the performances of female- and male-controlled businesses have used performance indicators that do not fully and fairly represent firm performance (Robb and Watson 2010). There is also the difficulty of collecting a random sample of business owners. Many snapshot surveys suffer from success bias because they only access surviving businesses, thereby ignoring businesses that have failed.

This study builds on, and extends, the work of Robb and Watson (2010) by examining the performance outcomes for a longitudinal sample of young firms in Australia using a variety of both quantitative and qualitative measures of firm performance and controlling for key demographic differences (such as industry and hours spent in the business).

Method

We use data from the CAUSEE database to compare the performance of female and male entrepreneurs in 561 young firms and 98 high performing young firms. The CAUSEE panel data was collected through a telephone survey of the Australian adult population to select a completely random sample of young firms. This sample selection avoids the survival bias experienced in studies that only survey surviving firms. In addition to comparing performance using traditional financial indicators (such as Return on Assets, ROA) we also consider differences in entrepreneurial intentions, goals, and processes, which imply a broader range of performance objectives beyond the strictly financial goals that have typically been assessed in prior studies comparing the performances of female- and male-controlled firms. Note that the CAUSEE data includes

Results and Implications

Female entrepreneurs make up 40% of the CAUSEE database of young firms in Australia. Our preliminary results indicate that the survival prospects of the female-owned new ventures is equal to that of the male-owned new ventures. Similarly, the ROA for the female- and male-owned new ventures does not appear to be significantly different. We are still to complete our analysis relating firm outcomes to the intentions, goals and processes adopted by our sample of female- and male-controlled young firms.

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