

Entrepreneurship Research Dimensions

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Introduction

Entrepreneurship research has been paid by great attention during the past for decades as ownership of firms (Cuevas 1994), management of small businesses (Scott and Bruce 1987), innovativeness (Schumpeter 1934, Hitt et al., 2001), networking (Larson and Starr 1993), organizing (Johannisson 1988), making the ideas work even though the needed resources are not under control (Stevenson and Jarillo 1990), all new businesses (Acs et al., 2001), etc.

The *scientific problem* was observed because of the lack of a conceptual entrepreneurship research dimensions' framework. The *goal* of this paper is to provide some systematic clarification on the possible research dimensions of entrepreneurship, its components and related processes. The *object* of the research is entrepreneurship, its components, processes and nexus between them. On the purpose to reach the aim, scientific literature analysis, comparison and systematization *methods* were applied.

It could be observed, that lately entrepreneurship research seems to focus on two basic dimensions: individual or trait approach and process or behavioral approach, mostly concluding on the outcome – new value creation that fuels economic growth. In the absence of a universally accepted definition, it is the responsibility of every author to state clearly what is meant when the term entrepreneurship is used. Thus there is a need to analyze and systematize entrepreneurship research dimensions, trying to find on overall understanding of the entrepreneurship research domain. In respect, the search for a possible research dimension basis for understanding and describing the phenomenon creates a challenging problem for entrepreneurship researchers.

Definitional problems as the basis in clarifying entrepreneurship research dimensions

The existence of the many different views about entrepreneurship became particularly apparent in the study of Gartner (1990), when the research discerned no less than 90 different attributes of entrepreneurship:

- new business creation,
- purchasing an existing business,
- bringing resources to bear on a perceived opportunity,
- destroying the status quo,
- refining a creative idea and adapting it to a market opportunity.

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Gartner recognized that main problem currently occurring in entrepreneurship scholarship is for many scholars to import a theory from another discipline and then go in search of facts to support it (Gartner, 2005). At Gartner's approach it is necessary to devote substantially more time to collecting and being "mindful" of facts about entrepreneurship, before identifying a theory to find causal linkages among these facts. Gartner is curious about the study of all things that seem to be about entrepreneurship, as a phenomenon. He takes to the study of entrepreneurship the "critical mess" idea, that is less of a coherent methodology for studying entrepreneurship, and more of a nuance towards the kinds of facts and theories that one might use for understanding what "entrepreneurship, itself," actually is, or might be.

The problem of defining "entrepreneur" and establishing the boundaries of entrepreneurship research have not been solved yet (Maes, 2003). In parallel some confusion still exists regarding the definition of entrepreneurship. Kirzner (1997) stated that entrepreneurship is about alertly recognizing and exploiting market and understanding these to be opportunities for business. Muzyka, de Koning, and Churchill (1995) found out that entrepreneurship is a process that takes place in different environments and circumstances and causes changes in the economy through innovations, which are created by individuals recognizing economic opportunities creating value both to these individuals and societies. The definition by Christensen et al. (1994) is close to the above, explaining that entrepreneurship is opportunity driven, with an ability to make rapid commitment to opportunities that arise in a multi-stage decision mode, often using other people's resources, managing through networks of personal relations, with the expectation that one will be rewarded in direct proportion to the new value created. Matley (2006) noticed, that in practice entrepreneurship (corporate entrepreneurship or intrapreneurship) is also presented in well-established large and small organizations, being an important element of their organizational and economic development. *Entrepreneurship* in this study is defined as a process that take place in different environments and circumstances and causes changes in the economy through innovations, which are created by individuals recognizing economic opportunities creating value both to these individuals and societies. An entrepreneur in various sources of scientific literature is most often defined as someone who is highly responsive to change, who sees opportunities that others may not see, and who mobilizes resources to make new things happen. In this study *entrepreneurs* are individuals who carry out entrepreneurial actions.

As entrepreneurship has long been seen as a synonym for establishing new small firms as a suitable vehicle for entrepreneurial endeavor, Maes (2003)

found a parallel strand in literature that was developed stressing the importance of entrepreneurship for and within existing corporations. A widely accepted label for this branch in entrepreneurship theory aiming at bewildering existing companies with an entrepreneurial spirit is corporate entrepreneurship. Corporate entrepreneurship research development are most likely to be related to observed weaknesses of the traditional methods of corporate management that lead companies onto a bureaucratic or administrative pathway, often ignoring the need for change and smoldering innovative initiatives. Traditional corporate management methods, such as strict hierarchy, short term focus, premeditation with cost minimization and cutting slack, narrowly defined jobs, etc., tend to be destructive as disappointed entrepreneurial-minded employees and executives tend to leave a company managed by strict bureaucratic rules and regulations (Miles et. al., 2002; Maes, 2003; Gartner, 2005; Mačerinskienė & Veličkaitė, 2008). Oppositely, *corporate entrepreneurship* is thought of as rejuvenating and revitalizing existing companies. That is why corporate entrepreneurship is brought into practice as a tool for business development, revenue growth, profitability enhancement and pioneering the development of new products, services and processes.

Intrapreneurs are defined as those who possess certain striking personal qualities (Sayeed & Gazdar, 2003). Researchers have pointed out that successful entrepreneurs practice three basic principles:

- they learn and practice the fundamentals of professional management;
- they adopt an entrepreneurial behavioral style that transcends bureaucracy and encourages an innovative climate;
- they are also seen to encourage innovation and intrapreneurship among their employees.

Kirby (1997) described *intrapreneurship* as a peculiar mix of skills that combine attributes of the entrepreneurs with those of corporate managers. Saeed and Gazdar (2003) states, that some scholars similarly define intrapreneurship in terms of corporate entrepreneurship, signifying complete redevelopment of traditional corporate strategies and intrapreneurial thinking (Sayeed & Gazdar, 2003).

Concluding the review of corporate entrepreneurship and intrapreneurship definitions, construct and features inside them, it could be seen that corporate entrepreneurship and intrapreneurship refers to a similar set of skills and actions. As Thoren (2007) observed, entrepreneurship in established firms is commonly referred to as “new business creation”, “corporate venturing”, “corporate entrepreneurship”, “corporate innovation”, “strategic entrepreneurship” or “intrapreneurship”. Thus corporate entrepreneurship and intrapreneurship will be used as synonyms in this study, using the term “corporate entrepreneurship”, having in mind that *corporate entrepreneurship* is a peculiar mix of skills and actions that combine attributes of the entrepreneurs and corporate managers within a firm as rejuvenating and revitalizing tools in existing companies.

Entrepreneurship research dimensions: individual and organizational approaches

The review of scientific literature shows that lately entrepreneurship research (Maes, 2003; Thoren, 2007) focus on two basic dimensions:

- a) individual (trait) approach;
- b) organizational (behavioral) approach.

These dimensions mainly conclude on the outcome as a new value creation that fuels economic growth.

Individual (trait) approach. For many years academic debate have performed in the origins of entrepreneurial behavior. Many studies tried to identify an “entrepreneurial personality” as a specific set of traits that distinguished entrepreneurs from general population (Lambing & Kuehl, 2006). This branch of research was mainly interested in the “why?” question: “why do certain individuals start firms when others, under similar conditions, do not?” (Gartner, 2005). Review of scientific literature shows, that many authors have answered this “why” question with “who” (Maes, 2003). Broadly this approach is known as the “trait approach” as the entrepreneur’s traits are seen as the key to explain the entrepreneurship phenomenon. Thus at this approach the individual is the primary level of analysis.

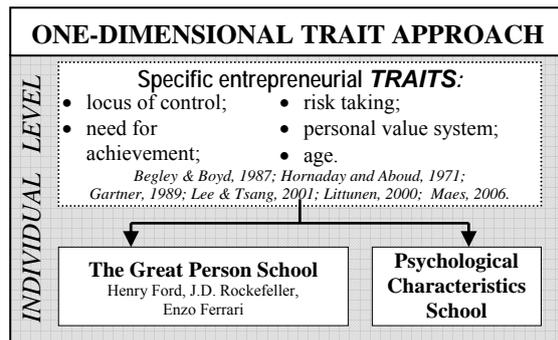
Still, there is a substantial amount of disagreement concerning the concept of the entrepreneurial personality. Some scholars, such as Drucker (1985) believe that individuals can be taught to be entrepreneurs, while others consider this is impossible. Oneal (1993) contradicts to Drucker: “While he’s [Drucker’s] probably right that nuts and bolts of entrepreneurship can be studied and learned, the soul of an entrepreneur is something else altogether. Entrepreneur can be a professional manager, but not every manager can be an entrepreneur” (Lambing & Kuehl, 2006). Whether entrepreneurial tendencies exists at birth or are developed as a person matures, certain traits are usually evident in those who enjoy success. Some researchers describe these basic traits of entrepreneurs: a passion for the business, tenacity despite failure, confidence, self-determination, management of risk, changes and opportunities, a tolerance for ambiguity, initiative and need for achievement, detail-orientation and perfectionism, perception of passing time, creativity, the big picture, motivating factors. But in scientific literature among most often mentioned specific entrepreneurial traits are the locus of control, the need for achievement, risk taking, the personal value system and age (Maes, 2003).

Cunningham and Lischeron (1991) distinguished two schools of thought belonging to the trait approach [see Fig1]:

- a) The Great Person School;
- b) The Psychological Characteristics School.

The *Great Person School* is built around snippets of the life story of inspirational individuals such as Henry Ford, J.D. Rockefeller or Enzo Ferrari. Central to this line of thinking is the intuitive ability of “great” individuals to recognize an opportunity and make the appropriate decision, suggesting that they are endowed with certain qualities or traits. The Great Person School

as such is an extreme case of the *Psychological Characteristics School* (Maes, 2003).



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Fig 1. One-dimensional trait approach

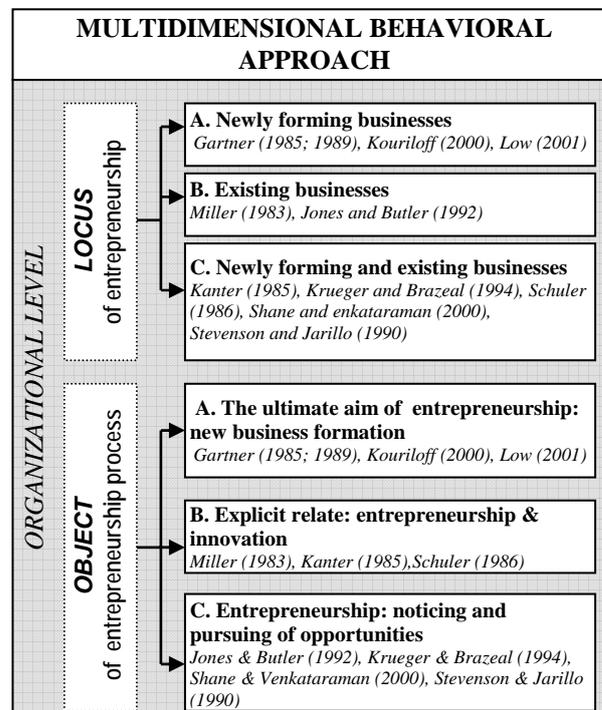
Gartner (1989) has well documented the trait approach, but despite the attention this approach has received in research and literature, the trait approach still seems to be unable to capture the entrepreneurship phenomenon to the full extent (Gartner, 2005). *The basic weakness of trait approach is one-dimensional view, focusing solely on the person of the entrepreneur.* It could be observed that many authors use very vague definitions of the entrepreneur in their research and only few studies use more or less the same definition. Thus the accumulation of knowledge in this area of research threatens seriously. Nevertheless the trait approach still remains a very popular view as even the most recent issues of scientific journals contain articles belonging to this approach (Ardichvili & Gasparishvili, 2003). This does support the idea that any entrepreneurship research can mislead with this point of view to more psychological than business issues. At the same time entrepreneurial traits also cannot be excluded from entrepreneurship research.

Organizational (behavioral) approach. The observed weaknesses of the trait approach have widened the area of entrepreneurship research to the behavioral approach, where entrepreneurship is seen as the process of creating new organizations (Gartner, 2005). The primary level of analysis is the organization being created or “the project”. The main objective is to gain understanding why the entrepreneurial achievement has come into existence, but not to find out “who is the entrepreneur”. The behavioral view stresses the contextual nature of the creating process (Maes, 2003). The most important point at this approach is that the entrepreneurial organization is seen as an outcome of a complex processes with many influences. Hereby the role of individual boils down to a series of actions or behavior undertaken to enable the creation of the organization, but personal characteristics are considered only ancillary to the behavior. Following behavioral view on entrepreneurship phenomenon the increase of complexity could be observed as entrepreneurship in behavioral approach is generally accepted as a multidimensional construct as well as the nexus of several dimensions or process components that can be distinguished, but not separated from each other. Still the conceptualization of entrepreneurship phenomena remains confused as two (related) main points of differing views remain:

a) defining entrepreneurship;

b) the number of process components constituting the entrepreneurship construct.

Maes (2003) notice, that there seems to be considerable variation on the locus of entrepreneurship (where entrepreneurship is taking place): only newly forming business, only existing firms, or both newly forming and existing businesses [see Fig 2].



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Fig 2. Multidimensional behavioral approach

Also the object of pursuit in the process of entrepreneurship varies considerably. The formation of a new organization or venture is the ultimate aim of entrepreneurship for Gartner (2005), Kouriloff (2000) and Low (2001) and entrepreneurship ends once the formation process is finished. Gartner’s (1989) view support that innovation only serves to increase the ambiguity in what already is a definitional dilemma. Oppositely Miller (1983), Kanter (1985) and Schuler (1986) relate entrepreneurship to innovation explicitly.

The last group of entrepreneurship researchers chose to avoid this discussion and put forward that entrepreneurship concerns the noticing and pursuing of opportunities. Maes (2003) found that the views about what constitutes entrepreneurship vary considerably. Thus even the behavioral approach does not bring unanimity among researchers about what constitutes entrepreneurship. In the absence of a universally accepted definition, it is the responsibility of every author to state clearly what is meant when the term entrepreneurship is used.

The minimum and maximum approaches to the number of entrepreneurship components

The analysis accomplished above shows that from the more common to the subject behavioral view entrepreneurship is accepted as a multidimensional construct, as a nexus of multiple components (Ucbasaran et. al., 2001). Thus study of

entrepreneurship requires taking into account many various components. However, there seems to be no agreement to the number of components involved. Thus it is vitally important to find out the number of nexus components while determining the entrepreneurship research dimensions.

Scholars' views with regard to the essence or description of the different components differ. For instance, Bruyat and Julien (2001) acknowledge that any organized living body can act as an entrepreneur (Bruyat & Julien, 2001). Gartner (1985) and Bygrave and Hofer (1991) on the other hand only recognize the individual entrepreneur. Still, the varying views on the essence of the "individual" component are equally applicable to the other process components. Maes (2003) found that, as far as the number of components is concerned, there seems to be a minimum and a maximum approach. Some researchers represent the minimum approach and they see entrepreneurship as the nexus of two components, i.e. the individual and the entrepreneurial process or project. The maximum approach considers entrepreneurship to be the combination of four components, i.e. the individual, the entrepreneurial creating process, the organization and the environment (Shane & Venkataraman, 2000).

As it can be observed from the minimum and maximum approaches of entrepreneurship, the maximum approach is the most promising view for several reasons:

a) The behavioral approach views entrepreneurship as a series of actions or behavior undertaken to enable the creation of the entrepreneurial project. As this behavior (opportunity recognition, resource assembling, etc.) can come in many diverse forms, some of which may not be specified at this point in time, the maximum approach is more likely to fulfill this requirement as it is less likely to exclude as-yet-unspecified entrepreneurial behavioral forms. While excluding such important components as the environment and the organization from a framework describing the entrepreneurship field and concerning on the minimum approach, an inexcusable loss of entrepreneurial diversity would imply.

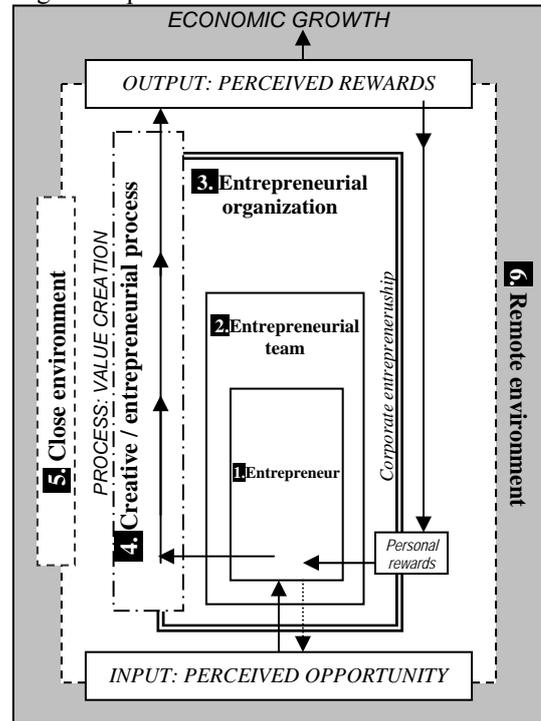
b) The trait approach and about the merging of behavior and trait issues in real life entrepreneurship research, the minimum approach is more likely to end by entrepreneurial traits rather than behavior. The complexity of four components supports behavioral view on entrepreneurship.

c) Trying to map the social complexity of the entrepreneurial resource provider it becomes, clear enough is that the "project" or "opportunity" dimension is itself a nexus of multiple components, encompassing the environment and/or the organization. Trying to find on overall understanding of the entrepreneurship phenomenon as it is possible such significantly influenced components as organization and environment should not be a priori excluded from the description of the entrepreneurship domain.

d) The maximum approach is more likely to be acceptable to most researchers since most will find a place for the research topic they are interested in.

The reasons explored above leads to take the maximum approach as the basis for defining the entrepreneurship research dimensions (Baran & Veličkaitė, 2008). But the maximum approach that we would like to put forward is slightly different form the approach suggested by Gartner (2005) and Maes (2003). As described above, Gartner's view encompasses four components: the individual (entrepreneur), the creative (entrepreneurial) process, the entrepreneurial organization being created and the environment. Instead of looking upon entrepreneurship as the creation of an organization, Maes proposed to see entrepreneurship as the process of creating new value by incorporating the creator (entrepreneur), the creative (entrepreneurial) process, new value creation, the close environment and the remote environment and elucidate entrepreneurship as a nexus of these multiple components.

What we are trying to do, is to build up an over holding picture of possible entrepreneurship research dimensions, incorporating basic entrepreneurship components, highlighted in recent entrepreneurship research, willing suggest a basis for future research in the field. We agree with Maes' view to see entrepreneurship as the process of creating new value, instead of Gartner's look upon entrepreneurship as the creation of an organization, as new value creation could lead to a new organization, but does not necessarily has to do so, as economic growth could be fueled by creating a new product also.



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Fig 3. Entrepreneurship research dimensions

Thus, the entrepreneurship research dimensions consist of six basic aspects as it is seen in Figure 3 (Baran & Veličkaitė, 2008):

1. entrepreneur (individual);
2. entrepreneurial team (group);
3. organization;
4. creative/entrepreneurial process (value creation);

5. close environment;
6. remote environment.

Research from the trait dimension is the closest to psychological entrepreneurship research. By involving the entrepreneurial team as an additional aspect to multidimensional behavioral (organizational) approach, the analysis becomes close to the exhaustive corporate entrepreneurship and entrepreneurial process research. In parallel involving environmental aspects (close and remote environment) into the fulfilled behavioral approach, the field research take into account all kinds of factors that are at the heart of entrepreneurship phenomena origins. Thus such kind of combination of various entrepreneurship research dimensions ensures the approachability to analyze phenomena from any point of view.

Conclusions

Despite the definitional problems, entrepreneurship research recently focus on two basic dimensions: individual (trait) approach and organizational (behavioral) approach, concluding on the outcome – new value creation that fuels economic growth, but these dimensions exclude some important entrepreneurship phenomena components, such as nexus between entrepreneur and entrepreneurial team and the influence of close and remote environment to entrepreneurial process. As the trait approach support only the individual as the primary level of analysis and the behavioral approach concerns on the organization as the primary level of analysis, other aspects should be also calculated into the possible entrepreneurship research dimensions.

The analysis show, that some kind of variation of trait, behavioral and maximum approaches could support the overholding picture of entrepreneurship research dimensions, taking into account six entrepreneurship aspects: entrepreneur (individual), entrepreneurial team (group), organization, creative/entrepreneurial process (value creation), close environment and remote environment.

The suggested over holding picture of possible entrepreneurship research dimensions, shows that only in existing high level of motivation (perceived rewards) individual avails his personal scope and perceives opportunity with entrepreneurial behavior. This fuels to start creative entrepreneurial process. Positive entrepreneurial team environment and spectrum of entrepreneurial team resources create better conditions for entrepreneurial process. Organization stands as an intermediary in relation between entrepreneur, entrepreneurial team, close and remote environment.

The three aspects: entrepreneur, entrepreneurship process and created new value (reward), that can be distinguished but not separated from each other, form the true nexus or core of entrepreneurship considered from a behavioral or process point of view. This nexus is the actual object studied in the field of entrepreneurship, having in mind that the environmental components cannot be disregarded. Thus, the two contextual factors, e.g. close and remote environment, are important environmental dimensions

that could help to gain the closest to reality research results.

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